

*United States Court of Appeals  
for the Second Circuit*



**APPENDIX**



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# 75-1268

## United States Court of Appeals

For the Second Circuit

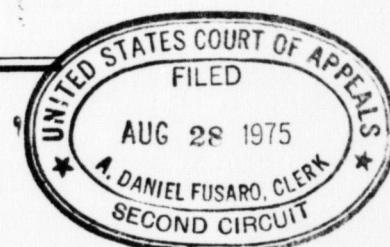
UNITED STATES OF AMERICA,  
*Plaintiff-Appellee,*  
vs.  
JACK L. CHESTNUT,  
*Defendant-Appellant.*

APPEAL FROM UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

APPENDIX  
Volume V  
Pages 449-590

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**PAGINATION AS IN ORIGINAL COPY**

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2 United States of America

3 -against-

74 Cr. 1191

4 Jack L. Chestnut

5 New York, New York  
6 May 7, 1975--10:00 a.m.

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Tkl 8 (Jury in box)

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a.m.9

MR. THOMSON: Your Honor, the defense is ready  
to proceed. It calls as its first witness John French.JOHN D. FRENCH, called as a witness  
by the defendant, being first duly sworn, testified  
as follows:

DIRECT EXAMINATION

BY MR. THOMSON:

Q Where do you reside, Mr. French?

A In Minneapolis, Minnesota.

Q What do you do there?

A I practice law. I am a partner in an Minneapolis  
law firm called Faegre & Benson.

Q How long have you been a lawyer, sir?

A I was graduated from law school in 1960 and  
admitted to the Bar that year. I have been a lawyer for  
fifteen years.

Q Have you been active at all in Minnesota

2 politics?

3 A Yes, I have been.

4 Q What is the nature of your activity?

5 A I first became seriously active in 1966, when  
6 I took a leave of absence from my law firm to work full-time  
7 on the campaign for the Senate of Senator Walter Mondale.8 Thereafter, in 1968, I was chairman of a Committee  
9 called Minnesota Lawyers for Humphrey, and I was also the  
10 lawyer for the Democratic Farmer Labor Party of Minnesota  
11 in lawsuits involving the right of the Democrats to go to  
12 the Chicago Convention. I also represented them at the  
13 Chicago Convention before the Credentials Committee.14 In 1970 I was chairman of the Minnesota State  
15 Democratic Farmer Labor Convention and I also provided  
16 legal advice to Mr. Chestnut as manager of the Humphrey  
17 campaign.18 In 1972 I was again chairman of the Convention, in  
19 1974 also, and in 1972 I was once again counsel to  
20 Mr. Chestnut managing another Humphrey campaign.21 Q Directing your attention to your law practice  
22 with the law firm of Faegre & Benson, have you had any  
23 experience in election laws?24 A Yes, I have. When I entered the firm in 1963  
25 as a junior lawyer I got a variety of projects assigned

2 to me. Included in this variety in 1964 was an analysis  
3 of various campaign laws, so the firm could provide advice  
4 to our regular clients about what they could and could not  
5 do in connection with campaign contributions and the like.

6 Q Where did you go to law school?

7 A I went to the Harvard Law School.

8 Q Did you graduate with any honors?

9 A Yes, I graduated in 1960 magna cum laude, and  
10 I was president of the Harvard Law Review.

11 Q Have you had any other honors, such as Order  
12 of the Coif?

13 A That is not installed at the Harvard Law School.

14 Q Immediately after law school what did you do  
15 then?

16 A My first job as a lawyer was as a law clerk  
17 for Mr. Justice Felix Frankfurter at the United States  
18 Supreme Court.

19 Q How long were you in that clerkship?

20 A I was there for one year. The Justice kept  
21 his clerks one year.

22 Q You indicated that you had given legal advice  
23 regarding election laws to Mr. Chestnut? Is that correct?

24 A That is correct.

25 Q At some time Mr. Chestnut contacted you

2 regarding the disposal of election -

3 MR. BANNIGAN: Objection as leading, and I  
4 will further object to any conversation which the defendant  
5 had with this attorney. I have no objection to the attorney's  
6 statements to the defendant. It would be hearsay.

7 THE COURT: Overruled.

8 Q Did you have any contact with Mr. Chestnut re-  
9 garding disposal of election material for the 1968 Humphrey  
10 senatorial campaign?

11 A '68?

12 Q Strike that. 1970. I am sorry.

13 A My contacts with Mr. Chestnut concerning the  
14 disposal of materials gathered in a campaign occurred in  
15 1972.

16 Q Do you recall approximately the month?

17 A Yes, I do. The Democratic Convention that year,  
18 national convention, was in July, early to mid-July, and  
19 Senator McGovern won the nomination. Senator Humphrey was  
20 defeated. So his campaign was at an end. And Mr. Chestnut  
21 came back to Minnesota and he called me --

22 MR. BANNIGAN: I object to anything that the  
23 defendant said.

24 THE COURT: Yes. You had a discussion with  
25 the defendant. Counsel can ask you the question.

2 Q Did Mr. Chestnut call you after the convention?

3 A Yes, he did. In the last week of July or the  
4 first week of August, 1972.

5 Q Did he call you with regard to --

6 MR. BANNIGAN: Objection. Leading.

7 THE COURT: I didn't hear.

8 MR. BANNIGAN: I will wait until the question  
9 is asked.

10 Q What was the subject matter of the telephone call?

11 MR. BANNIGAN: I object to anything the defendant  
12 said. I do not object to anything that counsel said.

13 THE COURT: State the subject of the telephone  
14 call and let's move on.

15 A The subject matter of the telephone call had  
16 to do with whether or not it was permissible for Mr. Chestnut  
17 to discard old campaign materials and records. I stated to  
18 Mr. Chestnut that I was not aware of any reason why he  
19 had to retain any of these materials, but I said that in  
20 order to check my snap reaction I would like to do a little  
21 research and I would call him back.

22 Q Did you do some legal research?

23 A I did some legal research, I confirmed my  
24 initial opinion, and I called Mr. Chestnut and advised him  
25 that there was no legal obligation for him to retain those

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French - direct

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2 materials or records.

3 Q That involved the election of 1970 and 1972?

4 A It involved anything that had been accumulated  
5 by him up to that time.

6 Q How long after his initial contact and after  
7 you embarked upon your legal research did you recontact  
8 Mr. Chestnut?

9 A Either the same day or the next day.

10 Q There has been testimony in this case regarding  
11 a provision of the United States Code, specifically re-  
12 ferred to as Title 18, Section 608, dealing with contribu-  
13 tions in excesses of five thousand dollars. Were you ever  
14 contacted by Mr. Chestnut regarding the applicability of  
15 that particular statute to his activities as campaign  
16 manager?

17 A Yes, I was.

18 Q What advice did you give him in that regard?

19 A I gave him advice in the form of an opinion  
20 letter.

Tk 1 21 Q Do you have that opinion letter with you?

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a.m.<sup>22</sup> A I do. This is my retained carbon copy of the  
23 letter that I gave Mr. Chestnut.

24 MR. THOMSON: Mark this as the next defendant's  
25 exhibit, please.

xx 2 (Defendant's Exhibit E marked for Identification)

3 Q Mr. French, showing you what has just been  
4 marked for identification purposes as Defendant's Exhibit E,  
5 can you identify it?

6 A Yes, I can.

7 Q What is it?

8 A This is a carbon copy restained by me from my  
9 files of a letter that I wrote to Mr. Chestnut on January 12,  
10 1972, concerning two subjects stated therein: One, the  
11 applicability of this statute, 608(a), and the other, a  
12 question under 2 USC Section 241.

13 Q Had you had previous discussions with Mr. Chest-  
14 nut regarding this particular section?

15 A Yes, I had. This letter, as I have indicated,  
16 was written in 1972, but I gave Mr. Chestnut the same  
17 advice in 1970 orally in response to a request that he  
18 made for advice on this subject.

19 Q Do you know when in 1970 you gave him the same  
20 advice?

21 A Well, Mr. Chestnut asked me to become his  
22 counsel for purposes of the 1970 campaign sometime in the  
23 early spring. I would say I gave him that advice in April  
24 of 1970.

25 Q You did that as a lawyer?

2 A Yes, I did.

3 Q Advice as campaign manager for Hubert Humphrey?

4 Is that correct?

5 A That is correct.

6 Q So it is clear, the advice that you gave him  
7 in April, 1970, is the same as outlined by your letter to  
8 him in 1972?

9 A It certainly was.

10 MR. THOMSON: I would offer in evidence what  
11 has been marked for identification purposes as Defendant's  
12 Exhibit E.

13 MR. BANNIGAN: I have no objection at all.

xx 14 (Defendant's Exhibit E received in Evidence)

15 Q Before I read the letter received as Defendant's  
16 Exhibit E, I notice that on the top it says "Confidential  
17 and Privileged," and then at the bottom there is an  
18 envelope marked "Personal and Confidential."

19 Can you explain to the jury why that was on the letter?

20 A I had my secretary put "Confidential and  
21 Privileged" on the top of the letter so it could be pro-  
22 tected in the ordinary attorney-client privilege context  
23 from discovery if Mr. Chestnut chose to protect it. She  
24 typed the notation at the bottom of the letter to indicate  
25 to me that she had put Personal and Confidential on the

2 envelope to assure that only Mr. Chestnut would get it.

3 (Mr. Thomson reads from Defendant's Exhibit E  
4 in Evidence to the jury)

5 Q As I understand, Mr. French, that is basically  
6 advice you gave Mr. Chestnut in April, 1970, regarding the  
7 \$5000 limitation?

8 A That is correct.

9 Q Will you explain to the jury your advice regard-  
10 ing the \$5000 limitation?

11 A I was advising Mr. Chestnut both in 1970 and  
12 1972 that it was my opinion that a national campaign  
13 committee operating nationwide was subject to a \$5000  
14 limitation on contributions, but a committee operating with-  
15 in a single state was not subject to any such limitation  
16 and could receive a contribution of any amount, \$10,000,  
17 \$15,000 or more, without any legal constraint.

18 Q Mr. French, are you familiar with a committee  
19 in Minnesota known as the Minnesota Democratic Campaign  
20 Committee?

21 A I don't think I ever performed any services  
22 for that committee, Mr. Thomson, and I don't believe I  
23 have personal knowledge of it.

24 Q Assuming that the Minnesota Democratic Campaign  
25 Committee were a local committee, intrastate as contrasted

2 with interstate, assuming it was a local or statewide  
3 committee, would there be any limitations on the funds it  
4 could receive?

5 MR. BANNIGAN: I object, if this is a hypothetical.

6 THE COURT: Sustained.

7 Q Did you have an opinion whether or not --

8 MR. BANNIGAN: I am going to object.

9 THE COURT: He has already stated his opinion  
10 as to the law. There is no proof with respect to the  
11 hypothetical question that you put.

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2 MR. THOMSON: No further questions, your Honor.

xx 3 CROSS EXAMINATION

4 BY MR. BANNIGAN:

5 Q Sir, how long did you say you had been an  
6 attorney practicing law?

7 A Since the summer of 1960.

8 Q You have occasion, do you not, sir, as an  
9 attorney in the practice of law, to frequently give opinions  
10 to your clients?

11 A Yes.

12 Q Of course prior to giving such opinions, I take  
13 it in the regular course of your business you ask questions  
14 of your clients about the matter into which they are inquir-  
15 ing?

16 A Quite so.

17 Q You go into detail before you say you could do  
18 something or not do something?

19 A It depends on the subject.

20 Q Generally, sir. Do you ask the factual back-  
21 ground?

22 A I want to know the factual background. How much I  
23 need to know depends upon the question being asked.

24 Q You would generally like to know the factual  
25 background as a predicate for any opinion you are going to

2 render?

3 A I like to know the facts before I give an opinion  
4 about the law.5 Q Would it be fair to say then you wouldn't give  
6 an opinion unless you knew some of the facts, correct?

7 A That is correct.

8 Q You related to us a conversation you had with Mr.  
9 Chestnut.

10 Do you recall that, in 1972?

11 A I had many, many conferences.

12 Q You had a conversation with him about the destruction  
13 or throwing away of certain records, is that right?

14 A Yes.

15 Q In that conversation, did Mr. Chestnut tell you  
16 there were some documents he would like to throw away which  
17 were extremely damaging to him from a legal standpoint;  
18 yes or no?

19 A No, he did not.

20 Q Did Mr. Chestnut say to you, sir, that there were  
21 some documents in my files, the 1970 campaign, that show  
22 that I accepted illegal corporate contributions. Did he  
23 say that to you?

24 A No, he did not. I can tell you what he did say.

25 Q I am just asking you yes or no, that is all.

2 Your counsel can bring out anything he wants.

3 Did Mr. Chestnut --

4 MR. THOMSON: I think the record should reflect  
5 I am not the counsel for the witness.

6 MR. BANNIGAN: I apologize for that.

7 Q Did Mr. Chestnut in his conversation with you,  
8 sir, say he wanted to get rid of those records so a cer-  
9 tain committee wouldn't have them, yes or no?

10 A No.

11 Q So it is possible, sir, is it not, that in the  
12 conversation that Mr. Chestnut had with you, he didn't  
13 relate all the facts to you, yes or no, possibly?

14 A It was always possible that a client may or may  
15 not relate certain facts to you.

16 Q I take it the answer to my question is yes, it  
17 is possible.

18 A It is possible.

19 Q I show you two checks marked Government's  
20 Exhibits 3 and 4 in evidence.

21 Would you care to render a legal opinion as to  
22 whether it would be proper for somebody in a Federal campaign  
23 to accept such a check as a contribution to that campaign?

24 A I don't know the answer to that question.

25 Q Sir, on its face, does it not say that is a

2 corporate check?

3 A It appears to say it is a corporate check.

4 Q How long have you been an attorney, sir?

5 A Fifteen years.

6 Q What do the initials Inc. stand for?

7 A It stands for incorporation.

8 Q That means it is a corporation?

9 A Yes.

10 Q Are you aware that it is contrary to Federal  
11 law for anybody connected with a Federal election, either  
12 the primary or the election, to accept a contribution from  
13 a corporation?

14 A I certainly am.

15 Q I put the question to you again, sir. In your  
16 legal opinion, your expert legal opinion, would it be  
17 illegal for anyone engaged in a Federal election campaign  
18 to accept those checks as contributions?

19 A I believe it would be illegal for the giver to  
20 give them if they are in fact corporate checks and illegal  
21 for the recipient to receive them.

22 MR. BANNIGAN: No further questions.

23 THE COURT: That has nothing to do with the  
24 amount of it?

25 THE WITNESS: It has nothing to do with the amount.

2 If I may, your Honor. As I have indicated, the  
3 \$5,000 limit in my opinion, did not apply to a committee  
4 operating within a single state so I would see no reason  
5 why a \$6,000 check could not lawfully be received.

6 THE COURT: Even made by a corporation?

7 THE WITNESS: No, sir.

8 THE COURT: That was my question.

9 THE WITNESS: You asked me about the amount.

10 THE COURT: It doesn't make any difference what  
11 amount. If it is a corporation making the contribution.

12 THE WITNESS: No, it does not.

13 THE COURT: That was the question.

14 THE WITNESS: I misunderstood you.

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15 REDIRECT EXAMINATION

16 BY MR. THOMSON:

17 Q Going back to the conversation you had with Mr.  
18 Chestnut April of 1972, with regard to the disposal of  
19 certain election materials, what did he tell you was the  
20 reason?

21 MR. BANNIGAN: Objection. Hearsay.

22 THE COURT: I will allow it in light of the ques-  
23 tion you asked the witness concerning what the defendant  
24 told him.

25 A Mr. Chestnut said to me, "I am back in my law

1 rke French - redirect 350

2 office. I have a large quantity of documentary material  
3 left over from the Humphrey campaign. It is overflowing my  
4 office. My office is small and I have no space for it.  
5 I really need to move this material out so I could make  
6 room for other things.

7 Do you know of any reason why I can't?" And I  
8 replied "No, I have no knowledge of any reason why you  
9 can't but I will do some legal research and call you back."

10 Then what occurred is what I testified to earlier.

11 MR. THOMSON: No further questions.

12 MR. BANNIGAN: No recross.

13 THE COURT: The witness is excused.

14 (Witness excused.)

15 THE COURT: Please call the next witness.

16 MR. THOMSON: The defense will call out of order  
17 a character witness. Monsignor Healy.

xx 18 M O N S I G N O R J A M E S A. H E A L Y,

19 called as a witness in behalf of the defendant,  
20 having been first duly sworn by the Clerk of the  
21 Court, testified as follows:

xx 22 DIRECT EXAMINATION

23 BY MR. THOMSON:

24 Q Monsignor, where do you reside?

25 A 50 Franklin Street, Buffalo, New York.

2 Q What do you do in Buffalo, New York?

3 A I am the pastor of St. Joseph's Old Cathedral.

4 Q Do you perform in any other capacity?

5 A Yes. I have been trained as a laborer economist  
6 and because of this I taught economics for 20 years at  
7 Uval College in Buffalo. I am presently teaching for Cornell  
8 University in a pilot program they have on the campus of  
9 the State Teachers College in Buffalo. I am also an active  
10 panlist with the American Arbitration Association; with the  
11 Federal Mediation and Conciliation Service; with the New  
12 York State Mediation Service; with the New York State Public  
13 Employment Relations Board and with the New Jersey Public  
14 Employment Relations Commission.

15 I am also the economic consultant to the Great  
16 Lakes District to the Longshoreman's Union.

17 Q Are you acquainted with Jack L. Chestnut?

18 A Yes, I am.

19 Q Do you see him here in the courtroom?

20 A Yes.

21 Q Where is he sitting, sir?

22 A Right there.

23 Q What is the nature of your acquaintanceship with  
24 Mr. Chestnut?

25 A I have known him a little better than ten years

2 and I first became acquainted with him when he became  
3 counsel for the pilots union in the Great Lakes which is  
4 part of the Great Lakes District, the Longshoreman's Union  
5 and I have known him in his professional capacity because  
6 he has represented the pilots in various negotiations and  
7 in a more general way, he has represented the Great Lakes  
8 District in matters having to do, for example, with the tolls  
9 which are charged on the St. Lawrence Seaway and the point of  
10 this is, if those tolls are raised or lowered, it does have  
11 a significant effect on vessels coming into the Great  
12 Lakes and that in turn of course affects the living of the  
13 longshoremen on the Great Lakes.

14 Q Monsignor, during the ten year period you have  
15 known Mr. Chestnut in the relationship that you have just  
16 testified to, have you heard Mr. Chestnut discussed among  
17 other people?

18 A Yes, many times.

19 Of course, I have heard the other lawyers who  
20 are active with unions in the Great Lakes discuss him. I  
21 have heard the membership and officers of the Pilot's Union  
22 discuss him. Other officers and members of the Great Lakes  
23 Longshoremen I have heard discuss him, yes.

24 Q Based upon your personal acquaintanceship with  
25 Mr. Chestnut and also based upon the discussions that you

2 heard regarding Mr. Chestnut, do you have an opinion as to  
3 Mr. Chestnut's reputation for truth and veracity?

4 A He has an excellent reputation for truth and  
5 veracity. He is an outstanding gentleman in my opinion, and  
6 I have never heard even the faintest word or suspicion that  
7 he would be anything else but truthful.

8 In his dealings with us, he is a very good  
9 lawyer, of course, and he is also a very intelligent man  
10 and he tells it like it is.

11 Q You then have an opinion also based upon your  
12 personal knowledge and the discussions you have heard about  
13 him, an opinion as to his reputation for honesty and  
14 integrity?

15 A His reputation for honesty and integrity is un-  
16 matched. It is without blemish or anything of that sort.  
17 He has an excellent reputation for honesty and integrity.

18 MR. THOMSON: No further questions.

xx

19 CROSS EXAMINATION

20 BY MR. BANNIGAN:

21 Q Monsignor, you have not heard any of the testi-  
22 mony in this trial that Mr. Chestnut accepted illegal cor-  
23 porate contributions in 1970, have you?

24 A I have not.

25 Q You haven't seen any of the exhibits that prove

1 rke Healy - direct 354

2 that, have you?

3 A No, I have not.

4 MR. BANNIGAN: No further questions.

5 THE COURT: You may step down.

6 (Witness excused.)

7 MR. THOMSON: The defense calls as its third  
8 witness, Jennifer Broome.

xx 9 J E N N I F E R D O R O T H Y B R O O M E ,  
10 called as a witness on behalf of the defendant being  
11 first duly sworn by the Clerk of the Court, testified  
12 as follows:

xx 13 DIRECT EXAMINATION

14 BY MR. THOMSON:

15 Q Miss Broome, where do you reside?

16 A I reside in Duluth, Minnesota.

17 Q By whom are you employed?

18 A General Business Services, Inc.

19 THE COURT: You better speak up. I am having  
20 difficulty hearing you and I have an idea the jurors can't  
21 hear you at all.

22 THE WITNESS: I am sorry, your Honor.

23 A General Business Services, Inc.

24 Q Where is that located?

25 A In St. Paul, Minnesota.

1 rke Broome - direct 355

2 Q And you live in Duluth, is that correct?

3 A That is correct.

4 Q In General Business Inc. who is the principal  
5 in that?

6 A Jack Chestnut.

7 Q In fact, you are employed by Jack Chestnut?

8 A That is correct.

9 Q How long have you been employed by Mr. Chestnut?

10 A In the capacity with General Business Services,  
11 for approximately two and a half years.

12 Q Prior to that, were you employed by Mr. Chestnut?

13 A Yes, I was employed by him in 1970 to work on  
14 Senator Humphrey's campaign for re-election to the Senate  
15 and again in 1972 for the Humphrey Presidential Campaign.

16 Q When in 1970 were you hired to work on Humphrey's  
17 Senatorial Campaign?

18 A At the end of January or beginning of February  
19 of 1970.

20 Q Who hired you for that position?

21 A Mr. Chestnut and Mrs. Penny Miller.

22 Q Who, please?

23 A Mr. Chestnut and Mrs. Penny Miller.

24 Q Where did you perform your duties in the 1970  
25 Senatorial Campaign for Senator Humphrey?

2 A I performed them on the eighth floor and ninth  
3 floor of the Midland Bank Building in Minneapolis, which  
4 is where the Chestnut law offices were also located.

5 Q So you actually performed these duties within  
6 the confines of Mr. Chestnut's law office, is that correct?

7 A That is correct.

8 Q In what capacity did you function as far as the  
9 Humphrey Senatorial Campaign was concerned?

10 A I was hired as campaign secretary which involved  
11 secretarial duties and also the depositing of checks which  
12 were received as contributions.

13 In addition, I also did legal work for Mr. Chest-  
14 nut if the occasion demanded and I was more or less inter-  
15 changeable in my duties with Mrs. Miller.

16 Q Is it fair to say then you functioned in quite  
17 similar capacity as Mrs. Penny Miller?

18 A That is correct.

19 Q You handled correspondence for Mr. Chestnut?

20 A Yes, I did.

21 Q Was this both correspondence regarding the poli-  
22 tical campaign as well as correspondence regarding his law  
23 practice?

24 A Yes, that is correct.

25 Q And you would take dictation from him, is that

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Broome - direct

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2 correct?

3 A Yes, I would.

4 Q Also, did you handle contributions to the cam-  
5 paign?

6 A Yes, I did.

7 Q What did you do in that regard?

8 A In that regard the campaign mail would be directed  
9 to my desk by the receptionist in the law firm. Sometimes  
10 there would be legal mail interspersed with it which she  
11 couldn't identify. I would open all of that mail and deal  
12 with it.

13 I would answer letters, deposit checks, file  
14 what needed to be filed and in some cases I would take care  
15 of the legal material or other times I would pass it on to  
16 the appropriate legal secretary.

17 Q As I understand your testimony, you commenced  
18 these duties in the first part of 1970?

19 A That is correct.

20 Q I take it you were familiar with the office  
21 routine in the Chestnut law firm regarding the Humphrey  
22 political campaign as well as the law practice itself?

23 A Yes, I was.

24 Q Would you describe for the jury the routine of  
25 handling mail from the time it came into the confines of

2 the Chestnut office until it was ultimately dealt with or  
3 disposed of?

4 A To the best of my recollection, the mail would  
5 be delivered by the postman several times a day to the  
6 receptionist's desk in the Chestnut office.

7 The receptionist would put it into piles, so  
8 to speak. All campaign mail, meaning that addressed to the  
9 Senator, to the campaign or in other ways being able to be  
10 identified as campaign mail would come to me. Other mail,  
11 for instance Mr. Chestnut's mail, which was clearly legal  
12 would go to Mrs. Miller and the other secretaries in the  
13 office who receive the mail for the lawyer for whom they  
14 worked.

15 Also later in the campaign the campaign itself  
16 had a couple of post office boxes where massed mailings  
17 would be directed to and those mailings would be collected  
18 by one of us, sometimes myself and brought back to the cam-  
19 paign office and opened and hopefully there were checks in  
20 them, and they would process it.

21 Q In the processing of the correspondence as you  
22 have described, were there occasions when you yourself  
23 would answer correspondence?

24 A Frequently, yes.

25 Q This would be over Mr. Chestnut's signature?

2 A Yes, it would be.

3 Q Were there even occasions when you would answer  
4 correspondence and sign Mr. Chestnut's name?

5 A Again very frequently, yes.

6 Q Are there other occasions you would actually  
7 write the letter and give them to Mr. Chestnut for signa-  
8 ture?

9 A Yes. I would usually give them to him in a large  
10 stack and he would zip through them and just sign. He  
11 wouldn't read them but I would collect them and take them  
12 out.

13 Q I understand that you also deposited checks that  
14 came in from the campaign?

15 A Yes, I did.

16 Q What was the procedure on that?

17 A Well, the procedure as I recall it, I am quite  
18 definite on the deposit slips. The checks or cash would  
19 be deposited. I would make out a bank deposit slip of  
20 which there would be a copy and go and deposit it.

21 To the best of my recollection, we also made up  
22 either a card or a thank you letter from the information on  
23 the check so we could thank the donor and I am a little hazy  
24 on how those records were kept, but there was some type of  
25 record.

2 Q The decision of whether or not a certain item  
3 of correspondence or certain item of mail came to the per-  
4 sonal attention of Mr. Chestnut would be determined in a  
5 screening process between either you or Mrs. Miller?

6 A That is correct.

7 Q Was there a rule or an instruction regarding  
8 checks that would appear to be corporate checks regarding  
9 the contribution to the political campaign?

10 A Most definitely.

11 Q What was that rule that you knew it to be?

12 A When I first started with the campaign, it was  
13 explained to me clearly, early and often, that corporate  
14 contributions were not allowed by law. There were instances  
15 where very small companies in Minnesota, the man's name  
16 would also be the name of a company, would send in a check  
17 for perhaps \$10, \$50 and I could identify it as a corporate  
18 check on the face, so I drafted a form letter with which I  
19 returned the check and the letter said basically thank you  
20 very much, we appreciate you sending the check.

21 We cannot accept it because of the Federal law  
22 and it explained the Federal law, but we would be happy if  
23 you would send us a personal individual donation which we  
24 could accept and I would return the check and any that  
25 came through, and I didn't catch, I would reimburse them

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2 out of the campaign fund when I do know.

3 Q Did you also have occasion in the handling of the  
4 correspondence mail to respond to mail on your own volition  
5 and initiative?

6 A Yes, frequently.

7 Q How much authority did you have in that regard  
8 as far as Mr. Chestnut was concerned?

9 A I had a great amount of authority because he was  
10 quite often unavailable, either out of town or at meetings.  
11 When he was in the office, his time was very, very pressed  
12 and he had indicated to me that he would like me to handle  
13 the correspondence to the best of my ability and quite  
14 frankly --

15 MR. BANNIGAN: Object and move to strike anything  
16 the defendant said to her. It is hearsay.

17 THE COURT: Yes.

18 I think now you ought to direct your attention to  
19 more specific items, unless you want more on general back-  
20 ground.

21 Q Miss Broome, I am showing you what has been  
22 received as Exhibit 8, 9, as well as 3 and 4. Do you have  
23 any independent recollection of ever seeing those before?

24 THE COURT: You turned to the rear of the court-  
25 room and I couldn't hear your question.

2 Q Referring to the exhibits in front of you, do  
3 you have any independent recollection today of having seen  
4 any of those exhibits before?

5 A I have no recollection. I may have seen them.  
6 I don't have any recollection.

7 Q By the nature of the correspondence and the  
8 enclosures, and based upon the office procedures you  
9 described, how would those items of mail have been handled?

10 MR. BANNIGAN: Objection.

11 Speculative.

12 THE COURT: The witness states she has no recol-  
13 lection of it at all. She already testified to the general  
14 procedure.

15 If you want to ask the question, I will allow it  
16 but you have asked her a specific question with respect to  
17 specific items in evidence and she states as I understand  
18 it, she has no recollection.

19 MR. THOMSON: She has no recollection of the  
20 specific items but I was asking her in the normal course of  
21 business how these type of items would have been handled.

22 THE COURT: All right.

23 A If I had received these letters with, I assume  
24 these are the enclosures and I was quite familiar with the  
25 firm of Lennen & Newell, I would have simply forwarded them

1 rke Broome - direct 363

2 to them or given them to one of their representatives  
3 if they were in the office.

4 Q Were there representatives of Lennen & Newell in  
5 the office?

6 A Yes, there were two representatives, Barry Nova  
7 and Jerry Gross, who were frequently in the Humphrey office  
8 in 1970 and I knew them and worked with them.

9 Q It would be the type of item that you would not  
10 feel would be deserving of Mr. Chestnut's attention?

11 A No, I would move it along. It was something  
12 I could handle myself and it wasn't addressed to us, it  
13 would go to Lennen & Newell.

14 Q Miss Broome, after the 1970 Humphrey Senatorial  
15 race in Minnesota, did you continue on in the employment  
16 of Mr. Chestnut?

17 A No, sir, I left Minnesota, moved to Washington,  
18 D.C., worked for the law firm of Boris and Lester.

19 I became very ill and returned to my parent's  
20 home in Australia. I came back from Australia in late  
21 November 1971 on the request of Mr. Chestnut and Senator  
22 Humphrey to work for the 1972 Presidential Campaign.

23 Q Then you did return to the United States and  
24 work, on what would be referred to as the 1972 Presidential  
25 Campaign?

2 A Yes.

3 Q Where were you performing your duties with  
4 respect to the 1972 Presidential Campaign?

5 A 18th Street Northwest, Washington, D.C.

6 Q What were your duties there?

7 A They were many and varied. Initially I was hired  
8 again as campaign secretary for the Senator and Mr. Chest-  
9 nut. I rather rapidly --10 MR. BANNIGAN: Objection. He asked what her  
11 duties were.

12 THE COURT: Relax. Just make an objection.

13 Q Just explain what your duties were.

14 A My duties were hiring staff, secretarial duties  
15 managing the office, teh telephones and taking care of  
16 all the financial side of the campaign insofar as the  
17 receipt and deposit of contributions.

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Tk3 1 mmgs 1 Broome - direct 365  
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a.m. 2 Q Did there come a time when the 1972 campaign  
3 came to an end?  
4 A Yes. As I recall it, it was after the conven-  
5 tion in Miami, the Democratic Convention at which Senator  
6 Humphrey lost the nomination, and I believe that was towards  
7 the end of July of 1972 that I returned to Washington after  
8 that convention.  
9 Q Did you then return to Minnesota?  
10 A Not immediately, no. I had to close down the  
11 Washington office, which was quite a circus, and I remained  
12 in Washington until November of 1972, when I moved to my  
13 present residence in Duluth. In the interim I continued  
14 to keep the campaign records, make reports to the General  
15 Accounting Office as required, and tried to pay as many  
16 outstanding bills of the Humphrey campaign as I could.  
17 Q Did you, Mrs. Broome, ultimately return to  
18 Indianapolis?  
19 A I beg your pardon?  
20 Q Did you ultimately after the Democratic Con-  
21 vention in 1972, when Hubert Humphrey lost the nomination,  
22 return to Indianapolis? I believe you said you closed  
23 down the campaign office --  
24 MR. BANNIGAN: Objection. Can he ask the  
25 question.

B1

a.m. 2

Q Did there come a time when the 1972 campaign  
came to an end?

A Yes. As I recall it, it was after the conven-  
tion in Miami, the Democratic Convention at which Senator  
Humphrey lost the nomination, and I believe that was towards  
the end of July of 1972 that I returned to Washington after  
that convention.

Q Did you then return to Minnesota?

A Not immediately, no. I had to close down the  
Washington office, which was quite a circus, and I remained  
in Washington until November of 1972, when I moved to my  
present residence in Duluth. In the interim I continued  
to keep the campaign records, make reports to the General  
Accounting Office as required, and tried to pay as many  
outstanding bills of the Humphrey campaign as I could.

Q Did you, Mrs. Broome, ultimately return to  
Indianapolis?

A I beg your pardon?

Q Did you ultimately after the Democratic Con-  
vention in 1972, when Hubert Humphrey lost the nomination,  
return to Minneapolis? I believe you said you closed  
down the campaign office --

MR. BANNIGAN: Objection. Can he ask the  
question.

2                   THE COURT: Read the question.

3                   (Question read)

4                   A       Yes, in answer to the question, I took a truck  
5       full of the furniture and a few records to Minneapolis,  
6       after I closed down the Washington office, and I believe  
7       that was in late July or sometime in the first two or  
8       three weeks of August of 1972.

9                   Q       Where did you take those records to?

10                  A       I took them to the Chestnut law office. It was  
11       mostly furniture.

12                  Q       Did you have occasion to bring any other records  
13       there?

14                  A       I beg your pardon?

15                  Q       Did you ever bring any other records to the  
16       Chestnut office?

17                  A       Yes, I had on other occasions since that time  
18       when I moved to Duluth, I had records with me. I may have  
19       left some at the law office. I can't recall specifically.  
20       I still have a few records.

21                  Q       From the '72 campaign?

22                  A       Yes.

23                  Q       Did you ever have occasion when you were in  
24       the Chestnut law office to destroy or throw away any of  
25       those records?

2 tremendously in debt at that time and we could not have  
3 paid for storage facilities in Washington after the '72  
4 campaign. We wished to relieve ourselves of the burden  
5 of the high rent and the campaign office once the campaign  
6 was over, and I was told to get it closed as quickly as  
7 possible.

8 MR. BANNIGAN: Objection to what she was told.

9 THE COURT: Sustained. Can't you get down to  
10 the question you want to put to her with respect to the  
11 records?

12 Q Now, was that the extent, then, of the disposal  
13 of the records of 1972?

14 A No. I have been throwing them out ever since.

15 Q These are the ones that had accumulated in  
16 the Chestnut law office?

17 A That is right.

18 MR. BANNIGAN: Objection. We are talking about  
19 '72 records.

20 THE COURT: You may cross examine her on the  
21 subject.

22 Q You are still in the employ of Jack Chestnut?

23 A Yes, I am.

24 MR. THOMSON: I have no further questions.

25

## 2 CROSS-EXAMINATION

3 BY MR. GOLD:

4 Q Good morning, Mrs. Broome. My name is Bob Gold.  
5 I take it you are a good friend of Mr. Chestnut's? Is that  
6 right?

7 A I consider myself a friend, yes.

8 Q Do you know Penny Miller?

9 A Yes, I do.

10 Q She, at least, played some part in your having  
11 been hired to work for Mr. Chestnut in 1970?

12 A That is correct.

13 Q Now, in connection with this matter and related  
14 matters, I take it you have incurred certain legal expenses?  
15 Is that right?

16 A I beg your pardon?

17 Q In connection with this matter now on trial  
18 and matters related to this trial, there came a time when  
19 you incurred certain legal expenses?

20 A Possibly. I have not been billed for any yet,  
21 but I expect to be.

22 Q Well, specifically you recall testifying in  
23 the Grand Jury in connection with this matter, don't you?

24 A Yes, I was, but the Government paid for that,  
25 for the travel.

2 Q And you were represented by counsel at that  
3 time, were you not?

4 A Yes, I was.

5 Q Do you expect to pay for his services out of  
6 your money?

7 A Yes, I do.

8 Q Mrs. Broome, I show you Government's Exhibits  
9 6 and 7 in Evidence, and directing your attention specifically  
10 to Government's Exhibit 6, can you tell us whether you  
11 have ever seen that letter before?

12 A Yes, I have seen it before, or a copy of it,  
13 when I testified before the Grand Jury in Washington, D.C.  
14 It seems to me that I typed this letter. I don't recall  
15 typing it in 1970. That was five years ago. But everything  
16 about the letter leads me to indicate that I did. It is  
17 the way I set it, and it has my initials on it.

18 Q At the bottom?

19 A Yes.

20 Q Now, during the period of time that you were  
21 working for Mr. Chestnut, which you tell us now is approximately  
22 five years --

23 A On and off, yes.

24 Q Over that five-year period, Mrs. Broome, have  
25 you ever viewed or had occasion to observe Mr. Chestnut's

2 signature on a substantial number of occasions?

3 A Many times, yes, sir.

4 Q Are you familiar with the signature on Govern-  
5 ment's Exhibit 6 in Evidence? Can you tell us whether or  
6 not you recognize that signature to be that of Mr. Chestnut?

7 A Well, sir, I told the Grand Jury and I tell  
8 you again --

9 THE COURT: No, you are testifying here. Never-  
10 mind what you told the Grand Jury. You are testifying in  
11 answer to this question.

12 THE WITNESS: I'm sorry, your Honor, sir. I  
13 don't know whether the signature is that of Mr. Chestnut  
14 or myself or Mrs. Miller.

Tk3 15 Q I now show you Government's Exhibit 7 in Evidence  
B2 16 a.m. and ask you to look at the signature that appears on that  
17 document and tell us today whether you recognize that to  
18 be the signature of Mr. Chestnut.

19 A My answer is the same. I couldn't tell if it  
20 is mine, Mrs. Miller's or Mr. Chestnut's.

21 Q On your direct examination Mr. Thomson asked  
22 you several questions about your work for Mr. Chestnut  
23 during the '72 Humphrey presidential campaign? Is that  
24 right?

25 A Yes, sir.

2 Q AS I recall your testimony, you testified  
3 that following the unsuccessful conclusion of that campaign  
4 you cleared out your Washington office and transported some  
5 records back to Minneapolis?

6 A That is correct.

7 Q I believe your testimony was that on your trip  
8 back to Washington you were carrying more furniture than  
9 you were carrying records?

10 A No, it was on my trip to Minneapolis that I  
11 was.

12 Q I mean on your trip from Washington to Minneapo-  
13 lis.

14 A Right.

15 Q Your recollection is that that occurred in  
16 August, 1972?

17 A That is correct.

18 Q Penny Miller was still on the office staff in  
19 Mr. Chestnut's office in the Midland Bank Building in 1972?

20 A Yes.

21 Q I take it there came a time when certain of  
22 those 1972 campaign records were destroyed on or after  
23 August of 1972? Is that right?

24 A Yes. That is right.

25 Q Did you participate in the destruction of those

2 records?

3 A I have destroyed campaign records, yes.

4 Q In August of 1972, when you returned to Minne-  
5 apolis, did you at that time participate in the destruction  
6 of the Humphrey campaign records? Yes or no.

7 A Yes, I did.

8 Q In participating in the destruction of those  
9 campaign records did you make a careful inspection to  
10 determine precisely what you were throwing out?

11 A No.

12 Q You did not? You regarded all of the records  
13 to be rubbish?14 A No, I scanned them. I did not make a careful  
15 examination. And those which I felt needed further  
16 examination, I set to one side.17 Q Your best recollection is that included in those  
18 documents that you regarded to be rubbish were records of  
19 specific individuals who had made contributions to  
20 Mr. Humphrey's campaign?

21 A No, I don't recall whether they were or not.

22 Q I take it after that occasion when records were  
23 destroyed you had occasion to leave Minneapolis?

24 A That is right.

25 Q At the time you left Minneapolis was

2 Mr. Chestnut's office in the Midland Bank Building still  
3 a mess, to use your words?

4 A Yes.

5 Q Then it is fair to conclude, is it not, that  
6 on the occasion that you are telling us about, when records  
7 were destroyed in the Midland Bank Building, not even close  
8 to all the records were destroyed on that occasion?

9 A Are you speaking of campaign or law office  
10 records?

11 Q I am speaking of campaign records.

12 A I really can't say.

13 Q You can't say? Mrs. Broome, after August  
14 of 1972 did you have occasion to further participate in  
15 the destruction of campaign records which were situated  
16 in the Midland Bank Building in Minneapolis? Yes or no.

17 A I can't recollect. I would say yes, I am sure  
18 I have.

19 Q You would say yes? Do you recall testifying  
20 before a Federal Grand Jury on February 25, 1974, reading  
21 from page 27, line 13:

22 "Q Well, I am not sure I follow your testimony,  
23 Mrs. Broome.

24 "Is it your testimony that you learned of the sub-  
25 sequent destruction of these records by virtue of what

2 Mr. Chestnut or Mr. Cochrane told the agent of the Watergate  
3 Committee, or is it rather then your testimony that you  
4 participated in the subsequent destruction of those records?

5 "A No, I did not participate in the subsequent  
6 destruction of those records, as you are saying, but I was  
7 in and out of the office in Minnesota a couple of times,  
8 and every time I was there there was the paper problem,  
9 which they were beginning to deal with, and I recall, with-  
10 out being able to pinpoint when it was, that a legal opinion  
11 was sought."

12 In the course of destroying records, on the only  
13 occasion you recall, namely, August of 1972 -- and we are  
14 talking about the destruction of records in the Midland  
15 Bank Building -- did you assist Penny Miller in the destruc-  
16 tion of those records?

17 A I really can't recall if Penny was there. I  
18 assume she was.

19 Q You can't recall whether you did it or not or  
20 whether Penny Miller assisted you? Is that your testimony?

21 A It is not, no.

22 Q Then I don't understand your testimony. I will  
23 rephrase the question.

24 The question very simply is, whether in the course  
25 of destroying those records you acted alone or were

2 assisted by anyone else, including Penny Miller.

3           A     As I recall, I was throwing things away and  
4     making the determination by scrabbling in the boxes and  
5     looking at what to throw away. I was not scrabbling in the  
6     boxes with Penny Miller to throw things away. However, she  
7     may have been throwing things away two boxes from me. There  
8     were a lot of people in the office, there always are. But  
9     I was throwing things away on my own volition. I was not  
10    being assisted in that respect.

11           Q     Your best recollection is that you were not  
12    assisted by Penny Miller in destroying campaign records in  
13    August or shortly thereafter in the year 1972?

14           A     Not physically, but she may also have been doing  
15    the same thing as I was.

16           Q     Do you have any recollection of helping Penny  
17    Miller destroy campaign records in the year 1973?

18           A     No, I don't.

19           Q     Do you deny that you helped Penny Miller destroy  
20    campaign records in the year 1973?

21           A     No, I don't. I have no recollection.

22           Q     It is entirely possible, isn't it?

23           A     It is possible, but unlikely. I lived in Duluth  
24    at the time.

25           Q     How far away is Duluth from Minnesota?

2 A A hundred and sixty miles.

3 Q In the course of your employ by Mr. Chestnut  
4 you make frequent trips for all of that 160 miles to  
5 Minneapolis?

6 A Yes, I make trips frequently and infrequently.

7 Q Mrs. Broome, directing your attention once again  
8 to Government's Exhibit 6 in Evidence, will you read that  
9 over to yourself for a minute, please.

10 A Yes.

11 Q You don't recall having typed the letter? Right?

12 A Right.

13 Q But your best judgment is as indicated by the  
14 initials at the bottom of the letter you did type it?

15 A Right.

16 Q Do you have any recollection about whether or  
17 not you drafted that letter?

18 A No.

19 Q Is it your best judgment that Mr. Chestnut  
20 dictated it to you?

21 A No, that is not my best judgment.

22 Q Is it your best judgment that you drafted it  
23 by yourself?

24 A Yes, I would say I either drafted it myself  
25 or received general verbal instructions on it at an earlier

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2 time.

3 Q From whom?

4 A Mr. Chestnut, Mrs. Miller, or even perhaps Barry  
5 Nova.

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a.m. 7

6 Q Did you know who Bob Lilly was in 1970?

7 A That is a difficult question.

8 Q Can you answer it yes or no?

9 A I am afraid I can't answer it yes or no.

10 Q When for the first time did you learn who Bob  
11 Lilly was?

12 A I can't recall.

13 Q You can't recall?

14 A No, I can't.

15 Q But you have no specific recollection that you  
16 even knew who he was in May of 1970? Isn't that right?

17 A I have no specific recollection either way, no.

18 Q Mrs. Broome, I show you Government's Exhibits 3  
19 and 4 in Evidence. Would you look those over to yourself,  
20 please, and tell us whether you recall ever having seen  
21 those before? Let me rephrase that -- seeing those in the  
22 year 1970?

23 A I saw a lot of checks in 1970. I don't recall  
24 those checks.

25 Q It is fair to conclude that you have no

2 recollection whatever of having forwarded Government's  
3 Exhibits 3 and 4 in Evidence to anyone at any time?

4 A It is hardly reasonable. I may very well have.

5 Q But you have no recollection of having done so?

6 A That is true.

7 MR. GOLD: I have no further questions.

8 THE COURT: Any redirect?

9 MR. THOMSON: No redirect.

10 THE COURT: The witness is excused.

11 (Witness excused)

12 THE COURT: I think this will be a good point  
13 to take our mid-morning recess.

14 (Recess)

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2 (In open court, jury present.)

3 THE COURT: Please call your next witness.

4 MR. THOMSON: Your Honor, the defense will call  
5 as its next witness, Jack L. Chestnut.

xx 6 J A C K        L.        C H E S T N U T ,        called as a witness  
7 in his own behalf, having been first duly sworn by  
8 the Clerk of the Court, testified as follows:

xx 9 DIRECT EXAMINATION

10 BY MR. THOMSON:

11 Q Mr. Chestnut, where do you live?

12 A I live in the Village of Shoreview in the State  
13 of Minnesota. It is a suburb of Minneapolis.

14 Q How long have you lived in Minnesota?

15 A All my life.

16 Q How old are you?

17 A 42.

18 Q Are you married?

19 A Yes.

20 Q How long have you been married?

21 A I have been married since June 22, 1957.

22 Q Do you have any children?

23 A I have four children.

24 Q Give their names and ages.

25 A My son Marty is six years old. My daughter

2 Allison is nine. My daughter Tracey is 12 and my daughter  
3 Leslie is 15.

4 Q What do you do for a living?

5 A I am a practicing lawyer.

6 Q Where at?

7 A In Minneapolis.

8 Q What is the name of the law firm?

9 A The name of the law firm is Chestnut, Brooks  
10 and Burkhard.

11 Q How many lawyers in the firm?

12 A 11.

13 Q How long have you been with that firm?

14 A Ever since I have been practicing.  
15 I started the firm.

16 Q You started the law firm?

17 A Yes.

18 Q You have lived in Minnesota all your life?

19 A Yes.

20 Q You went to high school in Minneapolis?

21 A Yes.

22 Q And you went to college there?

23 A I went to the University of Minnesota.

24 Q Did you graduate from the University of Minnesota?

25 A Yes.

1 rke 3 Chestnut - direct 382  
2 Q Did you get a degree?  
3 A Yes.  
4 Q In what?  
5 A I received a bachelor of arts degree in 1954.  
6 Q Then what happened after 1954?  
7 A I was in the United States Navy.  
8 Q How long were you in the United States Navy?  
9 A Approximately two and a half years.  
10 Q Where did you serve?  
11 A I served on the USS Delta in the Western Pacific  
12 and I served at the Naval Air Station, Spokane, Washington.  
13 Q Were you officially discharged?  
14 A Yes.  
15 Q What year?  
16 A I am not sure. I was in the Reserves after  
17 active duty. I would assume the discharge was probably in  
18 the mid 1960's.  
19 Q Did you ultimately then go on to law school?  
20 A Yes.  
21 Q Where did you go to law school?  
22 A I went to law school at the University of  
23 Minnesota.  
24 Q When did you graduate from there?  
25 A 1959.

2 Q After your graduation from law school, where did  
3 you go to work?

4 A I went to work for the Attorney General of the  
5 State of Minnesota.

6 Q In what capacity?

7 A Initially I was a Special Examiner or Clerk.

8 Q What were your duties?

9 A Basic research, filing of documents, prepara-  
10 tion of case files.

11 Q At that particular juncture in your life, when  
12 you started with the attorney general's staff, did you have  
13 any activity in politics at all in Minnesota?

14 A No, sir.

15 Q Were you active in any civic affairs at that  
16 time?

17 A Yes.

18 Q What was the nature of that, sir?

19 A I was active in the Junior Chamber of Commerce.

20 Q That was in Minnesota?

21 A Yes.

22 Q After being a Special Assistant Attorney General,  
23 what was your next position?

24 A I became Special Assistant Attorney General  
25 after my period of time as a clerk and subsequent to the

2 time I was appointed Special Assistant Attorney General,  
3 I became Assistant Attorney General.

4 Q Assistant to what attorney general?

5 A That was Walter Mondale.

6 Q Did you ultimately leave the attorney general?

7 A Yes.

8 Q Was this when you set up private practice?

9 A Yes.

10 Q During that time, did you become active at all  
11 in Minnesota politics?

12 A Yes.

13 Q In what way?

14 A I served in the capacity of advancement, I guess  
15 you would call it, for Senator Humphrey and occasionally  
16 for now Senator Mondale.

17 Q Was this in their Senatorial campaigns, as you  
18 recall it?

19 A Yes. In Mr. Humphrey's case, in his Vice  
20 Presidential and Presidential campaigns.

21 Q When did you first start your law practice?

22 A In 1963.

23 Q Did you start it with some other young lawyers?

24 A In my office initially was an attorney by the  
25 name of Hanratty, and shortly thereafter I formed a firm

1 rke 6

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2 with my present partner, Bill Brooks.

3 Q In those particular days -- let me ask you this.

4 Have you ever yourself sought public office?

5 A I have not.

6 Q Have you ever held public office?

7 A I am not sure what you mean by public office.

8 Q Elected office.

9 A No.

10 Q I take it that you were active in the Democratic  
11 party.

12 A Yes, I was.

13 Q Did you hold any official capacities within the  
14 Democratic Party?

15 A I was Chairman of our Legislative District Ward  
16 Club.

17 Q Anything else?

18 A No. Excuse me. I believe I was a delegate to  
19 one or two of the State Conventions.

20 Q I believe there has been testimony that you first  
21 became active with Senator Humphrey in 1968, is that cor-  
22 rect?

23 A In 1968, did you say?

24 Q Or was it prior to that?

25 A The first work I ever did for Senator Humphrey

2 was actually in 1960.

3 Q What did you do for him then?

4 A I went to LaCross, Wisconsin and passed out  
5 literature for him when he was campaigning for the endorse-  
6 ment of the Democratic Party for President in that year,  
7 in that election.

8 Q Why don't you take us year by year what your  
9 activities were in politics with Senator Humphrey.

10 A After that period of time, probably in the area of  
11 1963 through '68, my work was primarily, what they call  
12 advance work and this would be in the campaigns of now  
13 Senator Humphrey for the Vice Presidency in 1964 with  
14 Lyndon Johnson.

15 Then again while he was Vice President I did  
16 travel in advance of him on a number of occasions, making  
17 arrangements for him and in the 1968 Presidential campaign,  
18 I coordinated advancement in the mid-Western States. Then  
19 subsequently became the campaign manager for him in 1970  
20 for the campaign for the Senate in Minnesota and I was  
21 also the campaign manager for his effort to obtain the  
22 endorsement of the Democratic Party in the 1972 Presidential  
23 election.

24 Q Going back to 1970, you indicated that you became  
25 a campaign manager for the 1970 campaign?

2 A Yes.

3 Q That was the first time you probably functioned  
4 in any role other than as an advance man?

5 A I had worked on peripheral matters on other  
6 campaigns. I would say yes, that is basically correct.

7 Q How was it you came to be campaign manager?

8 A It was at the request of Senator Humphrey and  
9 some of his friends.

10 Q In other words, you were asked to be the campaign  
11 manager, is that correct?

12 A Yes.

13 Q Was this a expensable job? Did you get paid  
14 for it?

15 A No.

16 Q This was on a voluntary basis, is that correct?

17 A Yes.

18 Q Just as an aside as far as your law practice is  
19 concerned, what kind of practice do you have?

20 A I think it would be classified as a general  
21 practice.

22 Q And it is not politically related in any way?

23 A No, it is not.

24 Q There was some testimony here from the Monsignor  
25 that you do some work with the Great Lakes Pilots, is that

1 rke

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2 correct?

3 A Yes.

4 Q And that you represent certain unions on occa-  
5 sion?

6 A Occasionally.

7 Q Are you involved in antitrust litigation?

8 A We are very much involved in antitrust litiga-  
9 tion for plaintiffs.

10 Q This is as a private practitioner for plain-  
11 tiffs?

12 A That is correct.

13 Q And that is completely non-political?

14 A Yes.

15 Q During the 1970 Senatorial race, what were your  
16 duties as campaign manager?

17 A I had many duties. Do you want me to describe  
18 them?

19 Q Just briefly so the jury has some understanding  
20 of what you were about as far as your duties as campaign  
21 manager.

22 A My primary duties were to handle all of the polit-  
23 ical questions and develop the political strategy of the  
24 campaign and also to provide the administrative organiza-  
25 tion and structure for the campaign and see that the various

2 programs that we devised to run the campaign were actually  
3 carried out to plan and implement the Senator's schedule  
4 and also the schedules of the various volunteers that  
5 were assisting in the campaign.

6 Q Going back just momentarily so we get the total  
7 picture of 1970, what happened to Humphrey in 1968?

8 A He was defeated by Richard Nixon in the Presi-  
9 dential Election.

10 Q From 1968 to his defeat of the Presidency when  
11 he tossed his hat in the ring to run for Senator, what was  
12 he doing in the interim?

13 MR. BANNIGAN: Objection. That is irrelevant.

14 THE COURT: We are taking it as background.

15 You may answer.

16 A Mr. Humphrey was a professor at the University of  
17 Minnesota and at McAllister College. Both are located in the  
18 Twin Cities.

19 Q In other words, he was not holding any elected  
20 office when he sought you ought to become his campaign  
21 manager?

22 A That is correct.

23 Q When did you assume your official role as cam-  
24 paign manager?

25 A I suppose when I formally assumed it would have

been around the 12th or 13th of June of 1970, but actually I was functioning in that capacity for several months prior to that.

Q That would be back about February or March?

A I would say that is fairly accurate.

Q I take it during this time you still continued to practice law?

A Yes.

Q What percentage of your time, your total time, your daily time, did you devote to the campaign?

A That varied with the time of the year.

Q In the beginning, did you hire people to work in the campaign for you?

A Yes.

Q Describe for the jury the type of organization that you put together as far as the campaign was concerned?

A I had an executive committee that I reported to on the activities of the campaign. They functioned somewhat like a Board of Directors. We established a number of volunteer committees who had various assignments in the campaign. Some of them would be to organize farm groups, some of them would be to organize law groups.

For example, some might be to organize pharmacists for Humphrey. We had a particular individual who was in

1 rke

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2 charge of that. We had a financial section I reported to  
3 in terms of budgets and indicated the needs of the campaign.  
4 We had a scheduling section who managed requirements of  
5 Senator Humphrey's schedule, took in the requests, and I  
6 would review with her on an almost daily basis particularly  
7 that in the latter stages of the campaign, there were many  
8 requests for appearances of the Senator.

9 We had a clerical staff that was established  
10 as you would go into the latter stages of the campaign to  
11 answer the correspondence, to thank people for assistance  
12 that they had given to the Senator and members of the  
13 campaign staff.

14 We had an issues group who prepared papers and  
15 research material on behalf of the Senator to assist him  
16 in speechwriting and the presentation of various issues that  
17 developed in the campaign. We had a media section which  
18 basically was in charge of the public relations and the  
19 advertising of the campaign and we tried to have a consis-  
20 tent theme that we carried out as part of our strategy  
21 as far as the election was concerned, and this ran through  
22 the media, through our volunteer operations, through out  
23 whole design and fabric of the campaign.

24 Q Where were you physically located?

25 A I was in my law office, the Midland Bank Build-

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2 ing.

3 Q Did Humphrey have an office there too?

4 A Yes.

5 Q Did he also have some space on the floor above  
6 yours?

7 A Yes.

8 Q You were on the eighth floor?

9 A Yes.

10 Q And there was some space on the ninth floor?

11 A We operated out of the eighth floor initially.  
12 We expanded to the ninth floor.

13 Q At that time were you aware of a dairy cooperative  
14 known as Associated Milk Producers, Inc., AMPI?

15 A Yes, I was.

16 Q What did you know them to be?

17 A I knew them to be a cooperative engaged in milk  
18 marketing. I believe they were a nation-wide cooperative.

19 Q What did you know about them as far as political  
20 contributions?

21 A I knew they had assisted Senator Humphrey in 1968  
22 and I was generally aware that they had a political arm and  
23 that they were quite helpful financially to political can-  
24 didates.

25 Q When you say a political arm, what do you mean?

2 A They had an organization that was able to make  
3 political contributions within the framework of the law.

4 Q Did you have some idea how these funds became  
5 available?

6 A Yes.

7 Q How is that?

8 A They came from the individual farmers in our  
9 state and other states.

10 Q You knew this fund was in existence?

11 A Yes.

12 Q During 1970, had you ever heard the word "TAPE"?

13 A I don't believe so.

14 Q During 1970, did you have an occasion to become  
15 acquainted with a Bob Lilly?

16 A Yes..

17 Q Had you known him before?

18 A I don't think so. I heard Mr. Lilly's testimony  
19 but I don't recall meeting him.

20 MR. BANNIGAN: Objection to that. It is a  
21 yes or no answer. He doesn't have to refer to Mr. Lilly's  
22 testimony.

23 MR. THOMSON: I didn't hear your objection.

24 MR. BANNIGAN: I will withdraw it.

25 Q Harold Nelson, when did you become acquainted

1 rke

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2 with him?

3 A In the spring of 1970.

4 Q Did you meet Lilly and Nelson at the same time,  
5 if you recall?

6 A I think so.

7 Q Can you tell the jury what occasioned that meet-  
8 ing?

9 A Yes. There was a meeting at Senator Humphrey's  
10 residence in St. Paul at which a number of the representa-  
11 tives of Associated Milk Producers were present along with  
12 some Humphrey friends and former staff members.

13 Q Did anything occur in regard to the representa-  
14 tives of AMPI at that particular meeting?

15 A Yes. The representatives of AMPI encouraged  
16 Mr. Humphrey to run for the Senate in the election in 1970  
17 in Minnesota.

18 Q Did they pledge any support in his behalf?

19 A Yes, they did.

20 Q What was the nature of that?

21 A It was indicated to me that they would be will-  
22 ing to support Mr. Humphrey to the extent of 40 to \$50,000  
23 in that campaign.

24 Q And this would be in bonafide legal contributions?

25 A Yes, sir.

1 rke Chestnut - direct 395

2 Q Directing your attention to an advertising

3 agency by the name of Lennen & Newell, did you have an

4 occasion to have contact with any representatives from

5 them?

6 A Yes, I did.

7 Q What was the nature of that?

8 A The nature of that contact was to determine

9 whether or not they would be retained to represent the

10 Humphrey campaign in 1970 in respect to public relations

11 and advertising consultant.

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a.m. 2 Q And that would be basically described as testi-  
3 fied to by Barry Nova?  
4 A Yes.  
5 Q Did you have occasion to meet Barry Nova?  
6 A Yes, I did.  
7 Q Did you know him before?  
8 A I don't believe so. It is possible I could have  
9 met Barry Nova before 1968, but I have no recollection of it.  
10 Q When was Lennen & Newell retained to perform  
11 these services?  
12 A I believe they were actually retained, or it  
13 was agreed to, sometime in March, and I think they started  
14 work about the first of April of 1970.  
15 Q What was the agreement as far as payment or  
16 the amount of fees that Lennen & Newell would get for their  
17 services, if you remember?  
18 A Well, it was a graduated payment. I believe it  
19 was \$6000 a month to start out with, and then it increased  
20 as the intensity of the campaign and the need for their  
21 services would increase.  
22 Q Did they ultimately have representatives in  
23 Minnesota?  
24 A Yes.  
25 Q Who were their representatives in Minnesota?

2 A Barry Nova and Jerry Gross.

3 Q Did they operate somewhat out of your law office?

4 A Initially they did, yes.

5 Q Will you describe the physical characteristics  
6 of that?

7 A Well, we had one office that a number of people  
8 of the campaign actually shared space in, Barry Nova, Jerry  
9 Gross; I believe Jennifer Broome had space there, and  
10 possibly Norman Sherman and D.J. Leary later. All of these  
11 people, with the exception of Jennifer Broome, were moved  
12 to the 9th floor offices.

13 Q Was there also a treasurer of this campaign?

14 A Yes, there was.

15 Q Who was the treasurer?

16 A Mr. Fred Gates was the finance officer and  
17 treasurer of the campaign.

18 Q Did he have any so-called political committees?

19 A Yes, he did.

20 Q What were those committees?

21 A He had the Minnesota Democratic Campaign  
22 Committee and I believe he may have had one or two other  
23 campaign committees as well.

24 Q Were there any number of campaign committees  
25 throughout the State of Minnesota during this campaign?

2 A Yes, there were.

3 Q Will you describe to the jury briefly how a  
4 particular obligation, money obligation of Senator Humphrey  
5 would be incurred by Senator Humphrey and the campaign and  
6 how payment would be made?

7 A Well, normally the bills of the campaign would  
8 come into our office and we would approve these bills.  
9 And then we would seek to have payment made from one or  
10 more of the campaign committees.

11 Not all of the campaign committees were under the  
12 direct control of myself or of the Executive Committee that  
13 we operated under, and a lot of times I would have to re-  
14 quest of the various committees as to whether or not they  
15 would pay a certain bill.

16 Q You were aware or you privy to the fact that  
17 these committees had funds available to pay bills and  
18 contacted them for payment of certain bills? Is that  
19 correct?

20 A Yes.

21 Q Now, going back to AMPI, did they commence to  
22 make any contribution to Senator Humphrey's campaign?

23 A Yes, they did.

24 Q What was the nature of that?

25 A They made a contribution of \$10,000 to the

1 mmds 4

Chestnut - direct

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2 campaign, the Minnesota Democratic Campaign Committee, in  
3 early May of 1970.

4 Q Were you personally contacted in that regard?

5 A I believe I was.

6 Q Do you know who contacted you?

7 A Mr. Harold Nelson.

8 Q Do you know what was said?

9 A I believe he advised me that in response to the  
10 commitment, these funds would be forthcoming.

11 Q Did he tell you in what way they would be  
12 forthcoming?

13 A No.

14 Q Directing your attention to the \$10,000 payment  
15 to the Minnesota Democratic Campaign Committee, do you re-  
16 call any conversation with Lilly regarding that?

17 A Yes, I believe I do.

18 Q What was the nature of that?

19 A I think Mr. Lilly, who was the man who made  
20 the contributions --

21 Q May I interrupt? Who did you know Lilly to be?

22 A Mr. Nelson indicated to me that Bob Lilly was  
23 the representative of the political arm who made the  
24 contributions.

25 Q Who did you know Nelson to be?

1 mmmds 5 Chestnut - direct 400

2 A He was represented to be the general manager

3 of Associated Milk Producers.

4 Q Now, in your contact with Lilly regarding the

5 \$10,000 contribution what was said at that time?

6 A My contact with Lilly?

7 Q Yes.

8 A I believe he asked me who the contribution

9 should be made to.

10 Q And you told him?

11 A Yes.

12 Q Mr. Chestnut, showing you what has been received

13 in evidence as Government's Exhibit 10, would that reflect

14 the payment of that \$10,000 contribution as you recall it?

15 A Yes, it would.

16 Q Where did this \$10,000 end up?

17 A In the Minnesota Democratic Campaign Committee

18 account.

19 Q Who had charge of that?

20 A Mr. Fred Gates.

21 Q Do you recall when the next contribution that

22 AMPI made toward Senator Humphrey's campaign?

23 A Well, I believe it would be the payment of

24 the consulting fees of Lennen & Newell.

25 Q Now, the consulting fees of Lennen & Newell,

2      there has also been testimony regarding an entity known  
3      as Campaign Planners. What did you know Campaign Planners  
4      to be?

5            A      I subsequently knew what Campaign Planners was.  
6      What time are you referring to?

7            Q      They were part and parcel of Lennen & Newell?

8            A      Yes, they were. Whether they were in May of  
9      1970 I don't know.

10          MR. BANNIGAN: Objection.

11          Q      In April of 1970 what was the obligation that  
12     Senator Humphrey had or the campaign had in relation to  
13     Lennen & Newell?

14          A      We had agreed that they would be our public  
15     relations consultants, and for those services we paid them  
16     a fee.

17          Q      What was the fee at that stage of the game?

18          A      I believe it was \$6000 a month.

Tk5        B2      19          Q      Now, were you contacted ultimately by somebody  
a.m. 20     from AMPI regarding the payment of some bills?

21          A      Yes, I was.

22          Q      Tell the jury about that.

23          A      Mr. Harold Nelson in the spring of 1970 asked  
24     if we had some bills.

25          Q      He asked you if you had some bills? Was this

1 mmdu 7

Chestnut - direct

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2 personally or did he call you or what was the nature of  
3 the conversation?

4 A Bills of the Humphrey campaign.

5 Q How did you happen to have the conversation  
6 with Nelson?

7 A I believe this was just following the meeting  
8 at Mr. Humphrey's residence where the AMPI officials had  
9 indicated that they would provide this support for Senator  
10 Humphrey.

11 Q Tell us your conversation with Nelson.

12 A Mr. Nelson asked if the campaign had any bills  
13 that they could pay, and I said, yes, that we did. He  
14 asked if we had any printing bills. The campaign had not  
15 been doing any printing yet, but we had some bills for  
16 consulting services that our advertising firm in New York  
17 had. He indicated to me that that would be fine, that he  
18 would authorize a \$12,000 payment, and that I should  
19 contact Mr. Lilly in respect to the details.

20 Q What did you understand the nature of this  
21 transaction to be?

22 A I understood that Associated Milk Producers  
23 would make these contributions out of their political arm.

24 Q And pay the bills as a political contribution?

25 A Yes, sir.

2 Q What was the next contact you had with regard  
3 to their commitment to pay \$12,000 worth of bills to Lennen &  
4 Newell? What happened next?

5 A I don't recall exactly what happened next,  
6 counselor.

7 Q Did you have any contact with Mr. Lilly after  
8 this or Lennen & Newell?

9 A I have talked about this and I just don't recall.

10 Q Did you have occasion to talk to Barry Nova  
11 about it?

12 A I may have, but I have no specific recollection.

13 Q Mr. Chestnut, I am showing you what has been  
14 received in evidence as Exhibit 6, which is a letter under  
15 your letterhead, under date of May 7, 1970, addressed to  
16 Bob Lilly, Associated Milk Producers. Does that appear to  
17 be your signature on the letter?

18 A Yes, it does.

19 Q Showing you what has been received in evidence  
20 as Exhibit 7, which is also a letter, does that appear  
21 to be your signature, Jack, on that letter?

22 A Yes, it does.

23 Q Do you recall having dictated those letters?

24 A No, I don't.

25 Q Do you have any recollection, specific

1 mmgs

Chestnut - direct

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2 recollection of having signed those letters?

3 A No, I have no specific recollection.

4 Q Exhibit 6 says the bill which I was going to  
5 forward to you did not arrive in proper form and I returned  
6 it for proper editing and will forward it as soon as it is  
7 received.

8 Do you recall what was meant by that phrase?

9 A No. I have tried to recall this, but I don't  
10 recall the mechanics of this transaction at all.

11 Q Regarding Exhibit 2 and Exhibit 1 and Exhibit 9  
12 and Exhibit 8, coupled with Exhibits 6 and 7, can you as  
13 you sit here today tell us the sequence or the mechanics  
14 of that transaction with the aid of those exhibits?

15 A I have seen these exhibits and I don't doubt  
16 their authenticity, but I cannot reconstruct the mechanics  
17 of that transaction.

18 Q I am showing you what has been received in  
19 evidence as Exhibits 3 and 4. Do you have any recollection  
20 whatsoever of ever seeing those check before, other than,  
21 of course, in court?

22 THE COURT: I think it would be helpful if  
23 you indicate at this point what 3 and 4 are. I think it  
24 would be easier for the jury to follow. Describe them.

25 MR. THOMSON: Exhibit 3 is a check under date

1      numbers

**Chestnut - direct**

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2 of June 1, 1970, Associated Milk Producers, Inc., Pay \$6000  
3 to Lennen & Newell.

7 Q Do you recall ever having seen either one of  
8 those checks before, Mr. Chestnut?

9           A       No, sir, other than in this courtroom I have  
10      never seen those checks before.

11 Q I take it based upon the exhibits that you have  
12 seen here and the testimony, you have tried to reconstruct  
13 it?

A Yes, we have gone over it many times.

15 Q Have you been able to reconstruct from the  
16 exhibits in front of you mechanically what happened?

17 A No, I have not.

18 Q Were you aware of the law that it is illegal  
19 to take a corporate contribution?

20 A Yes.

21 Q How long have you been aware of that law? For  
22 some time?

23 A For as long as I can recall being involved in  
24 politics

25 C. Were you aware of that law during 1970 when

1      funds

Chestnut - direct

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2      you were campaign manager for Senator Humphrey?

3            A      Very definitely.

4            Q      What was the policy of your campaign as  
5      campaign manager during 1970 for Senator Humphrey's sena-  
6      torial race?

7            A      It was the policy and the operating instructions  
8      that corporate contributions were not to be accepted.

9            Q      When was the first time you had any knowledge  
10     that American Milk Producers, Inc. was making --

11            MR. BANNIGAN: -- Associated Milk Producers, Inc.

12            Q      -- Associated Milk Producers, Inc. was making  
13     corporate contributions, rather than contributions out  
14     of their political fund?

15            A      When did I first become aware, did you say?  
16     Only after this information was developed by the Wright Report,  
17     I think it is called, and published in the newspapers.

18            Q      That was the first time you were aware that  
19     corporate contributions were being made by AMPI, other  
20     than contributions from their political arm?

21            A      It is the first time I was aware that this  
22     particular transaction was a corporate transaction. There  
23     may have been some publicity out of the Watergate hearings  
24     prior to that time that would have also helped me to the  
25     conclusion that it did make, in fact, corporate contributions

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Chestnut - direct

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2 to this campaign and other campaigns.

3 Q Showing you, Mr. Chestnut, what has been received  
4 in evidence as Exhibit 10 -- and for the record this is  
5 also a check under date of May 4, 1970 payable to the  
6 Administrative Democratic Campaign Committee in the amount  
7 of \$10,000 under the signature of Bob A. Lilly -- do you  
8 recall receiving that?

9 A Yes.

10 Q Now, as far as you were concerned, what kind  
11 of a contribution was that?

12 A That was a contribution as far as I was concerned  
13 from the Associated Milk Producers Political Committee.

14 Q Was there anything on the face of that check  
15 that caused you to believe that it was other than legal?

16 A No, sir.

17 Q There has been testimony in this case that any  
18 contribution over \$5000 was violative of the law or illegal.

19 Now, what was your understanding of the law in 1970  
20 regarding contributions in excess of \$5000?

21 A It was my understanding if they were made to  
22 a state or a local committee that the contribution could be  
23 in excess of that amount.

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a.m.

24 Q Where did you get that information?

25 A I got that information from my lawyer, Mr. John

1 mmds

Chestnut - direct

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2 French.

3 Q He is the witness who testified, the first  
4 witness for the defense today?

5 A Yes, sir.

6 Q As far as the Minnesota Democratic Campaign  
7 Committee, you knew that as well?

8 A That was a State Committee.

9 Q Now, showing you what has been received in  
10 evidence as Exhibit 11, and, for the record, this is also  
11 a check similar to Exhibit 10 made payable to the Minnesota  
12 Democratic Campaign Committee in the amount of \$1450, signed  
13 by Bob A. Lilly, do you recall receiving that check?

14 A I don't have a specific recollection of it  
15 being received, but I can tell from the endorsement that  
16 it was.

17 Q And from the endorsement, that you signed it?

18 A Yes, sir.

19 Q Is there anything about that check, on the  
20 face of it or the circumstances that gave rise to it, that  
21 would cause you to believe that it was other than a legal  
22 contribution?

23 A No, sir.

24 Q There was testimony from Bob Lilly that at some  
25 later date that he came to Minneapolis and gave you

1 mmmds

Chestnut - direct

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2 \$12,500 cash? Is that correct?

3 A Yes, it is.

4 Q Do you recall approximately the date of that?

5 A That would have been about the middle of  
6 October of 1970.

7 Q What were the circumstances surrounding the  
8 giving of the \$12,500 in cash?

9 A Well, Mr. Lilly came to my law office in  
10 Minneapolis and presented it to me.

11 Q What did you take it to be?

12 A The balance of the commitment of the Associated  
13 Milk Producers.

14 Q What commitment was that?

15 A To contribute between forty and fifty thousand  
16 dollars to Senator Humphrey's effort to obtain the Senate  
17 seat in Minnesota.

18 Q Did he indicate that is what it was?

19 A I believe he did.

20 Q Was there anything about the transaction that  
21 would in any way lead you to believe that that transaction  
22 was anything other than legal?

23 A No, sir.

24 Q At that time what did you believe the source  
25 of the \$12,500 cash was?

2            A       I believed the source of it was the dairy  
3       farmers of Minnesota and other states that made contribu-  
4       tions to the political fund of Associated Milk Producers.

5            Q       Now, during 1970 when you were campaign manager  
6       did you ever hear of Associated Milk Producers called AMPI?

7            A       Yes.

8            Q       Was Bob Lilly considered to be a member of AMPI?

9            A       Yes.

10          Q       And Nelson?

11          A       Most certainly.

12          Q       Parr?

13          A       Definitely.

14          Q       Was there any reference made to a contribution --  
15       I am talking about a bona fide legal contribution -- from  
16       Associated Milk Producers? What was it referred to --

17          MR. BANNIGAN: I object to the form of that.

18          THE COURT: I am not clear on the question  
19       myself. Will you try and rephrase it, please.

20          Q       When discussions were had during the campaign  
21       between yourself and other people involved in the campaign  
22       and people from Associated Milk Producers, how did you refer  
23       to the entity that gave the campaign contribution?

24          A       We referred to it as AMPI contributions.

25          Q       Did you ever hear anything referred to as TAPE

1 mmds Chestnut - direct 411

2 contributions?

3 A Not in 1970, no.

4 Q From Lilly?

5 A No.

6 Q Parr?

7 A No.

8 Q Nelson?

9 A No.

10 Q Humphrey?

11 A No, I don't believe so.

12 Q Or anybody connected with the campaign?

13 A No, sir.

14 Q Mr. Chestnut, you sat here during the entire  
15 trial?

16 A Yes, I have.

17 Q And you heard the transactions testified to?

18 A Yes, I have.

19 Q Is there anything about any of these transactions  
20 any of the five contributions testified to here that you  
21 can say in any way causes you to believe that as campaign  
22 manager these contributions were other than bona fide legal  
23 contributions?

24 A No, sir, with the exception of these checks.

25 Q Well, now, other than the checks? What I am

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### Chestnut - direct

411-A

2 talking about, during the time of the campaign in 1970  
3 was there anything that came to your attention that AMPI  
4 was in any way contributing to Humphrey's senatorial  
5 campaign, other than legal political funds?

6 A Not in the least.

7 MR. THOMSON: I have no further questions.

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SOUTHERN DISTRICT COURT-REPORTERS, U.S. COURTHOUSE  
FOLEY SQUARE, NEW YORK, N.Y. - 791-1020

xx 2 CROSS EXAMINATION

3 BY MR. BANNIGAN:

4 Q Mr. Chestnut, where did you go to law school?

5 A The University of Minnesota.

6 Q And you graduated from that law school, is that  
7 correct?

8 A Yes, I did.

9 Q You took the usual courses that all of us have  
10 to suffer through in law school?

11 A Yes.

12 Q Trusts, estates, things like that?

13 A Yes, sir.

14 Q After you left law school, I think you testified  
15 you went to work for the attorney general, is that correct?

16 A That is correct.

17 Q How long did you work for the attorney general?

18 A Approximately four years.

19 Q After that you started your law firm?

20 A Yes.

21 Q Sir, Mr. Thomson asked you on direct examination  
22 whether you knew what TAPE was in 1970, is that correct?

23 A Yes, he did.

24 Q And I believe your answer was that you didn't,  
25 is that right?

2 A I had not heard of tape, yes.

3 Q All you were aware of, sir, was that some special  
4 fund had been set up by AMPI to make political contribu-  
5 tions, is that correct?

6 A A legal fund, yes.

7 Q Most certainly a legal fund, yes.

8 Sir, what type of practice does your firm do,  
9 is it general practice with concentration in antitrust?

10 A It is general practice and we have a number of  
11 antitrust cases.

12 Q You do occasional wills, estates?

13 A Yes.

14 Q A few trusts, mortgages, things like that?

15 A Yes.

16 Q You have testified, I believe, that you were  
17 advised by Mr. Nelson or Mr. Parr, I am not sure, that  
18 Bob Lilly was the man who will be making these contributions  
19 from the special fund, is that correct?

20 A Yes.

21 Q Sir, you were shown two checks by your counsel,  
22 Mr. Thomson, Government's Exhibits 10 and 11 and you  
23 recognize those, don't you, sir?

24 A Yes, I do.

25 Q As a lawyer, sir, when a special fund is set up

1 rke 3 Chestnut - cross

2 segregating funds, they are set up in trust accounts, are  
3 they not, generally?

4 A Yes.

5 Q These checks, sir, which you have identified as  
6 receiving, personal checks, are they not, of Bob A. Lilly?

7 A They appear to be that.

8 Q Not Bob A. Lilly Trustee for anything, is that  
9 correct?

10 A That is correct.

11 Q And you assumed sir these came from some politi-  
12 cal fund or trust?

13 A Yes, I assumed they were part of the AMPI  
14 contribution, yes.

15 Q Personal check from Bob Lilly you thought came  
16 from a political trust fund?

17 MR. THOMSON: Objected to as repetitious.

18 Q Is that correct?

19 A Correct.

20 Q How long did you say you were practicing law?

21 A Since 1959.

22 Q And you took trusts in law school?

23 MR. BANNIGAN: Objected to as repetitious. It is  
24 argumentative.

25 THE COURT: Overruled.

1 rke 4 Chestnut - cross

2 Q You took trusts in law school?

3 A Yes, I did.

4 Q And your firm prepares trust agreements and has  
5 trust accounts?

6 A Yes, it does.

7 Q If you draw a check on your trust account, the  
8 check so indicates, does it not?

9 A I believe so.

10 Q In other words, sir, if you tried to draw a  
11 personal check on a trust fund, you know perfectly well no  
12 bank would ever honor that?

13 A I assume if it wasn't drawn on the proper account,  
14 that is correct.

15 Q What do the initials AMPI stand for?

16 A I believe they stand for Associated Milk Produc-  
17 cers Inc.

18 Q The Inc. sir, I believe the witness you called  
19 from Harvard testified that Inc. meant incorporated?

20 A Yes.

21 Q And you know that from where you went to law  
22 school, too, don't you?

23 A Yes.

24 Q If somebody told you you were getting AMPI or  
25 AMPI contributions, that means you were getting Associated

1 rke 5 Chestnut - cross

2 Milk Producers, Inc. contributions?

3 A Not to me it didn't.

4 Q You thought it was coming from the trust fund?

5 A I thought it was coming from their political  
6 arm.

7 Q On Bob Lilly's personal checks?

8 A In those instances, yes.

9 Q You testified that Mr. Nova worked on behalf  
10 of Lennen & Newell for the campaign.

11 A Yes.

12 Q He was, was he not, the contact man with Lennen  
13 & Newell?

14 A He was their account executive, I believe.

15 Q You heard him testify here that there came a  
16 time when you called him and told him you were somewhat  
17 short of funds and asked him to send the bills to AMPI, is  
18 that correct?

19 A I heard him testify to that.

20 Q Is that correct, sir, or did you tell him some-  
21 thing else?

22 A I have no recollection of talking with him about  
23 it.

24 Q Your recollection is blank?

25 A That is correct.

2 Q The only thing I take it you say you recall from  
3 your direct testimony about this transaction is that you  
4 never saw the checks?

5 A No. I recall that Mr. Nelson asked me if we  
6 had some campaign bills that they could pay. I do recall  
7 that.

8 Q As far as the documents are concerned, the only  
9 thing you specifically can recall is that you never saw  
10 those checks?

11 A I believe that is correct.

12 Q You can't recall writing the letters or signing  
13 them?

14 A I don't recall the letters. I don't deny their  
15 existence.

16 Q Is that right?

17 A Yes.

18 Q You don't recall seeing the invoice?

19 A That is correct.

20 Q You don't recall seeing the letters from Mr.  
21 Lilly to you, right?

22 A That is right.

23 Q But you don't dispute that you received them, do  
24 you?

25 A I don't dispute they were received in my office.

2 Q If a letter is properly addressed and mailed,  
3 isn't there a presumption it is received by the person to  
4 whom it is addressed, a legal presumption?

5 A I don't know whether there is a legal presump-  
6 tion.

7 Q You don't know that?

8 A No.

9 Q The first contribution was the \$10,000 from  
10 Mr. Lilly, is that correct?

11 A Yes, I believe that is correct.

12 Q The second contribution, sir, and correct me if  
13 I am wrong, was the payment of the Lennen & Newell invoice,  
14 is that correct?

15 A I am not sure what the exact sequence is, Mr.  
16 Bannigan.

17 Q A check dated May 4 payable to the Minnesota  
18 Democratic Committee in the amount of \$10,000 Government's  
19 Exhibit 10. You testified that was the first?

20 A Yes.

21 Q Now, I show you Government's Exhibits 3 and 4 in  
22 evidence and ask you to look at the dates and whether they  
23 appear, at least chronologically, to follow that first  
24 check?

25 A Yes, they are subsequent in point of time on the

2 the date of the check to the first check.

3 Q Now, I show you Government's Exhibit 11 in evi-  
4 dence and ask you whether that doesn't appear to at least  
5 follow or become contemporaneous with one of those last three  
6 checks you identified?

7 A It has the same date on it as Exhibit 4, June 11  
8 which would be subsequent to Exhibit 3, which was dated  
9 June 1st.

10 Q But contemporaneous with Government's Exhibit 4,  
11 correct?

12 A Yes.

13 Q And that was number 11 in evidence, was Mr.  
14 Lilly's second personal check to you?

15 A That is correct.

16 Q Which you assumed came from the trust account,  
17 the political fund?

18 A Part of AMPI's contribution, yes.

19 Q Then there came a time, sir, did there not,  
20 when you received \$12,500 in cash from Mr. Lilly?

21 A Yes.

22 Q On all of those occasions, is it correct when  
23 you discussed the contribution, nobody ever said anything  
24 about TAPE?

25 A Yes, that is correct.

Q Everybody just said they are AMPI contributions?

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2 A That is right.

3 Q As far as you can recall, sir, were these the  
4 total sum of the contributions you received from AMPI? Not  
5 you personally, but Senator Humphrey in that year?

6 A No. I believe there were other contributions  
7 that we considered to be part of their commitment.

8 Q Do you recall the amounts?

9 A Not the amounts. Mr. Parr and Mr. Lilly occa-  
10 sionally would send in checks that they had received from  
11 various of their members and in addition to that, there was  
12 a farmer's committee for Humphrey -- I am not sure that is  
13 the exact title -- that was organized and this was sub-  
14 stantially the effort of Mr. Russell Swant in connection  
15 with some of the Associated Milk Producers people that were  
16 working in the State.

17 Q In short, there were some others and I believe  
18 also later on in point of time, there was a \$5,000 contri-  
19 bution that came in from the mid-American people.

20 Q I am talking about Associated Milk Producers?

21 A I lump them all together.

22 Q For the purposes of this trial, let's try to  
23 keep them separate.

24 There may have been some other contributions after  
25 the 12,000 or maybe before the 12,500.

2 A It was before the 12,500.

3 Q I take it as campaign chairman, it was necessary  
4 for you to devote substantial amounts of time to the running  
5 of this campaign, is that true?

6 A Yes, it is.

7 Q How did that sit with your partners in the law  
8 firm?

9 A Well, they tolerated it. Maybe they weren't all  
10 that happy with it sometimes but they appreciated what I  
11 was doing and I worked extra hours and it really was not  
12 that much of a burden at that point in time in the law firm.

13 Q But it was somewhat?

14 A Yes, it was.

15 MR. BANNIGAN: I ask that these documents be  
16 marked next in order collectively.

xx 17 (Government's Exhibit 30, marked for identifi-  
18 cation.)

19 Q That burden, sir, was taken up, was it not, by a  
20 \$5,000 under-the-table payment to you from AMPI?

21 A No, that is not correct.

22 Q I show you what has been marked Government's  
23 Exhibit 30 for identification and ask you if you can identify  
24 those checks?

25 A Yes.

2 Q Those are checks, sir, from a Mr. Louis Connell.

3 A Yes.

4 Q And they are payable to you at your law firm,  
5 are they not?

6 A They are.

7 Q Mr. Connell worked as a public relations man or  
8 film producer for AMPI?

9 A Among other things, yes.

10 Q He was not employed directly for AMPI, was he?

11 A I think he may have been an agent.

12 Q He was a consultant?

13 A A consultant.

14 Q AMPI funneled \$5,000 into your law firm during  
15 the period of this campaign through Mr. Connell, did they  
16 not?

17 A Yes, they did, for legal services we performed.

18 Q You have heard Mr. Lilly testify, have you not,  
19 in this courtroom?

20 A Yes.

21 Q And he testified you were never a lawyer for  
22 AMPI. Have you heard him so testify?

23 A Yes.

24 Q Haven't you heard that AMPI denies that you were  
25 ever one of their lawyers?

A I believe that I was definitely one of their lawyers.

Q That is not my question. Haven't you heard AMPI when they waived their attorney-client privilege denied you were ever their lawyer?

A No.

MR. BANNIGAN: May I have one moment, please and while I look for something, the Government offers for 30 for identification.

MR. THOMSON: I move for a mistrial on the characterization of Bannigan that these were under the table payments when he has absolutely not one shred of evidence.

THE COURT: You didn't make any motion or objection to the question when it was asked and you waited until several questions went on until the witness made an answer and you the document was introduced in evidence and you made a motion for a mistrial.

There is no basis for the motion and the motion denied.

The witness responsive answered a question to which no objection was made.

MR. THOMSON: I object to Prosecution Exhibit 30 on the grounds there is an utter lack of foundation.

THE COURT: May I see Exhibit 30.

2 MR. BANNIGAN: Yes, your Honor.

3 THE COURT: The witness has testified to these  
4 matters. There is no need for the exhibit. Those checks  
5 total the amount you include in your question.

6 MR. BANNIGAN: Yes. There is another reason--  
7 I will put some additional questions to the witness and  
8 perhaps offer it at a later time.

9 Q Mr. Chestnut, you stated you were retained by  
10 AMPI, is that correct?

11 A Yes.

12 Q You were retained for how long, a year, two years,  
13 three years?

14 A Approximately a year.

15 Q I wonder if you would like -- how long did the  
16 campaign last? When did it end?

17 A It ended in the first week or so of November of  
18 1970.

19 Q November 3, to be more precise.

20 A That would be correct.

21 Q I ask you to look at these checks from Mr.  
22 Connell. The first one dated April 27, and the last one  
23 dated November 16, one week after the election in Minnesota.

24 Would you explain, sir, why they overlap, if you  
25 can, the period of the election.

2 A The total retainer was for \$5,000 and it was  
3 paid over this eight month period of time.

4 Q So it is just a mere coincidence that it happens  
5 to overlap the campaign, is that correct?

6 A That is correct.

7 Q Do you have the retainer agreement, sir?

8 A No, I don't believe I do.

9 Q Did you destroy that like the rest of the documents  
10 you destroyed in this case?

11 A I don't believe there was a written retainer  
12 agreement.

13 MR. THOMSON: I move these characterizations,  
14 these snide remarks, unfounded remarks, be stricken from  
15 the record and counsel be admonished to conduct his ques-  
16 tions in a proper legal fashion.

17 THE COURT: The jury is instructed to disregard  
18 the statement of counsel. If you have an objection, please  
19 make it when the question is put and I will rule upon it at  
20 that time.

21 Q Is it the practice in Minnesota, sir, in law  
22 firms, to conduct their business with clients on oral  
23 retainers?

24 A Sometimes, yes.

25 Q It is unusual, however, is it not, sir?

2 A No, I don't believe it is unusual.

3 Q Sir, I wonder if you would explain to the ladies  
4 and gentlemen of the jury why it was that you and AMPI  
5 and Mr. Connell had this very peculiar arrangement for the  
6 payment of your legal services?

7 A Mr. Connell recommended myself and my law firm  
8 to AMPI. They indicated to him they wanted a lawyer in  
9 Minnesota knowledgeable with milk lawyers. I had a back-  
10 ground with the milk laws. They indicated to Mr. Connell  
11 they did not want to sign another formal agreement with an  
12 attorney. They had a consulting arrangement with Mr.  
13 Connell, could they just add that on to their consulting  
14 arrangement and that is what they did.

15 Q They didn't want anybody to know you were their  
16 attorney, is that correct?

17 A I don't know whether they came to that conclu-  
18 sion or not, counsellor.

19 Q Sir, you have testified here this morning on  
20 your direct examination that you didn't know what TAPE was,  
21 correct?

22 A In 1970?

23 Q And you were the attorney for AMPI and you didn't  
24 know what TAPE was? Is that really your testimony?

25 A I was an attorney for AMPI. I wasn't their

2                   general counsel.

3                   Q     You made no effort then to investigate who this  
4                   new client of yours was and how he was organized, I take  
5                   it, is that correct?

6                   A     They had a specific reason for retaining me for  
7                   Minnesota.

8                   Q     Is that correct?

9                   A     I am sorry.

10                  Q     You undertook no effort to investigate how  
11                  your new found client was organized, is that correct?

12                  A     I knew how they were organized in Minnesota.

13                  Q     But you didn't look outside the state?

14                  A     No, I did not.

15                  Q     Did you know they had an office in New Ulm?

16                  A     No, I did not.

17                  Q     I don't understand your answer when you say you  
18                  knew how they were organized in Minnesota but you didn't  
19                  know they had an office in New Ulm.

20                  A     I was familiar with the marketing cooperating  
21                  laws of the State of Minnesota.

22                  Q     Sir, do you have any records, financial records  
23                  from the 1970 campaign?

24                  A     No, I do not.

25                  Q     Is that because, sir, they were destroyed?

2 A They were all thrown away, yes.

3 Q You have heard testimony here, sir, throughout  
4 this trial and from Mrs. Miller -- I take it you know Mrs.  
5 Miller?

6 A Yes.

7 Q She is your secretary and office manager?

8 A Yes.

9 Q You heard her testify here that she approached  
10 you sometime in 1972 and told you she needed the space and  
11 wanted to get rid of all these records?

12 A Yes.

13 Q She said at that time you called Mr. Connell -- not  
14 Mr. Connell, Mr. French, was it?

15 A Yes.

16 Q And sought a legal opinion, is that correct?

17 A Yes.

18 Q Following the rendering of that opinion, you  
19 authorized or told Mrs. Miller to destroy the records, or  
20 get rid of the records?

21 A Yes.

22 Q I take it she did so.

23 A She along with others.

24 Q You didn't have any personal part in this, did  
25 you?

2 A Yes, I did.

3 Q She along with others, is that correct, sir?

4 A That is what I said, yes.

5 Q I direct your attention to October 18, 1973.

6 Would you please focus on that date?

7 A Yes.

8 Q On that date, sir, you testified before the  
9 Senate Select Committee, also known as the Watergate Com-  
10 mittee, is that correct?

11 A That is correct.

12 Q Do you recall a man by the name of Sanders, Mr.  
13 Sanders?

14 A Yes.

15 Q He put some questions to you, didn't he?

16 A Yes, he did.

17 Q You weren't under oath on this occasion?

18 A No, I was not.

19 Q Do you recall the following question, sir.

20 "Did anyone in your office assist in housekeep-  
21 ing, cleaning these files and throwing them away?

22 "A Not with any of the campaign materials. I looked  
23 at those."

24 Is your recollection now refreshed that some other  
25 people helped you?

2 A Yes, that is correct. That statement was wrong.

3 Q So when you testified before the Senate Select  
4 Committee, you were less than candid?

5 A No, that was my best recollection at the time.

6 Q You weren't under oath therefore you didn't  
7 feel the need --

8 MR. THOMSON: I move that be stricken.

9 THE COURT: That is arguing with the witness.

10 You say that statement was wrong?

11 THE WITNESS: Yes.

12 Q Now, sir. \*

13 Before you threw these records out, you and Mrs.  
14 Miller and whoever helped you, did you go through them?

15 A I looked at them, yes.

16 Q You heard Mrs. Miller testify yesterday that  
17 she went through them with you and that the sensitive  
18 documents were taken out and burned, is that correct?

19 MR. THOMSON: Your Honor, that is a misstatement  
20 of the evidence. I move it be stricken.

21 THE COURT: I don't think you should refer to  
22 sensitive documents.

23 Q Certain documents were burned?

24 A Yes.

25 Q I believe, although I may be mistaken and the

record of course will show whether or not I am, that the records that were burned were some financial records, cards of that nature, which indicated the names of people who were contributors and amounts of money?

A I believe that is the case.

Q And you helped her do this, your recollection is now refreshed?

A I went through some of those records, yes.

Q Did you help her take them to the incinerator?

A I don't recall whether I did or not.

Q You helped her go through those records and segregate some materials from others, is that correct?

A I don't recall the joint effort where the two of us sat alongside of one another and going through them. I recall paging through a number of documents to see what the basic nature of the materials were and if it was material pertaining to a particular individual, for example, rather than put it out in the hall, which is a public area, in our office, those records were taken down to the incinerator and burned.

Q Things like financial records which indicated names of contributors is not the type of thing you would want to put in a hall, is that correct?

A I think that is correct.

2 Q Things you might put in the hall are things  
3 like brochures and stickers and things of that nature?

4 A Maybe research material. Things of that nature.  
5 Correspondence, possibly.

6 Q Sir, do you recall testifying before the Senate  
7 Select Committee on October 18, 1973?

8 A Yes.

9 Q Do you recall having this question put to you at  
10 page 11733.

11 "Question by Mr. Sanders.

12 "Do you have any recollection of throwing away  
13 any financial ledgers?

14 "A I do not believe I had any ledgers. I do not  
15 recall seeing any ledgers.

16 "Q Do you recall throwing away any records of  
17 receipts of contributions?

18 "A You are referring to things like thank you  
19 letters, this type of thing?

20 "Q I am referring to any record that would give  
21 evidence of receipt of contributions and thank you letters  
22 would be one form.

23 "A I do believe there were thank you letters in  
24 there.

25 "Q Were there any form of 3 by 5 card system for the

2  
recording of large doners?3  
"A There verywell could have been but it would  
4  
have been for all donors, not just for certain ones."5  
Now, sir, is your recollection now a little  
6  
better that there were such records that had the names of  
7  
contributors on them?8  
A It is as I indicated there.

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Chestnut - cross

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a.m.

Q Sir, you recall earlier I asked you whether

you heard Penny Miller's testimony concerning the destruc-

tion of these records and you stated that you had?

A Yes.

Q I believe she testified to a former question

that she came to you and told you that she wanted to get

rid of these records and then you called Mr. French and got

an opinion and the records were disposed of? Is that correct?

A Yes, over a period of several months.

Q Now, referring to your testimony before the

Senate Select Committee, page 11740, a question by a man

by the name of Mr. Elder:

"You had no discussion with anybody about destroy-

ing records prior to clearing out this office?

"MR. CHESTNUT: I never had any discussion with  
anybody about destroying records, other than talking with  
Mr. French about the materials."

So, I take it, sir, is that your answer?

A I think it is a little out of context.

Q You read it, sir.

MR. BANNIGAN: I ask that this be marked Government's exhibit next in order, page 11740.

(Government's Exhibit 31 marked for Identification)

Q What I am reading to you, sir, is indicated by

2 a paper clip. Have I not read it accurately? Did I  
3 accurately read it to you, sir?

4 A Yes, I believe Mr. Elder was referring --

5 Q Did I read it to you accurately, sir?

6 MR. THOMSON: Your Honor --

7 MR. BANNIGAN: You can bring it out on redirect.

8 MR. THOMSON: Wait. The witness didn't say he  
9 did not read it accurately. The witness said he read it  
10 out of context. I think the witness should have an opportunity  
11 to explain.

12 THE COURT: Did counsel read it to you correctly?

13 THE WITNESS: Yes.

14 THE COURT: You can make any statement you want.

15 THE WITNESS: I believe Mr. Elder was referring  
16 to the closing of the Washington office, and because of  
17 the reference to the trash barrel here, which I recall being  
18 in connection with that, and at that time I had not had any  
19 conversations with respect to throwing away the records.

20 Q Mr. Elder, sir, was talking about records that were  
21 destroyed in your office, some of which were brought from  
22 Washington? Isn't that correct?

23 A There were records that were brought from Washington  
24 that were thrown away in my office. There were also  
25 records that were thrown away in Washington.

2 Q Do you recall Jennifer Broome's testimony this

3 morning?

4 A Yes, I do.

5 Q Isn't it correct, sir, that she testified that

6 she brought a number of records with her to the office and

7 when she arrived at your office it was a mess and people

8 were getting ready to throw records out? So we are talking,

9 sir, are we not, about the same transaction?

10 A No.

11 Q We are talking about another transaction?

12 A We are talking about a continuous series of

13 transactions that took place from the time of the closing

14 of the Washington office until basically all of the records

15 were thrown away. This was a period of several months.

16 Q So you destroyed documents, then, from sometime

17 shortly after the convention in Miami right on for a couple

18 of months?

19 A I did not, but there were a number of records

20 that were thrown away in the closing of the Washington office.

21 Q You did not destroy records? Somebody else did?

22 A I was not in the Washington office.

23 Q I am talking, sir, about the Minnesota office.

24 A In the Minnesota office I was involved in that

25 Q You were involved in that?

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Chestnut - cross/redirect

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2      A      Yes.

3      Q      And you were involved in it with some other

4      A      Yes.

5      Q      And when you testified that it was you alone?

6      A      That was wrong; it was my best recollection at  
7      the time.

8      Q      But now six months later your recollection is  
9      better?

10     MR. THOMSON:   Objected to as repetitious.

11     THE COURT:   Overruled.

12     A      I also have heard some other testimony.

13     Q      Answer the question, sir.

14     A      Yes, my recollection is better now.

15     MR. BANNIGAN:   Your Honor, the Government has  
16     no further questions of the witness.

17     THE COURT:   Any redirect?

18     MR. THOMSON:   May I have Government's exhibit here?

19     MR. BANNIGAN:   It is here on the table, sir.

20     I am sorry, your Honor, it is not in evidence. My offer  
21     was rejected. I have no opposition if counsel wants to  
22     put it in.

23     REDIRECT EXAMINATION

24     BY MR. THOMSON:

25     Q      Mr. Chestnut, you were exhibited certain checks

1 mmrds Chestnut - redirect/recross 438

2 identified as Exhibit 30? Is that correct?

3 A Yes.

4 Q You received those checks?

5 A Yes, I did.

6 Q Did anybody go into your office and hand those  
7 checks to you under the table?

8 A No, sir.

9 Q You got those in the normal course of business?

10 A Yes.

11 Q Through the mail?

12 A Yes.

13 Q Deposited in your account?

14 A In my law office account.

15 Q And reported in the due course of your business?

16 A Yes.

17 MR. THOMSON: I have no further questions.

18 RECROSS-EXAMINATION

19 BY MR. BANNIGAN:

20 Q Is it the normal course of business for you to  
21 bill someone who is not your client so you can get paid by  
22 someone who is your client?

23 MR. THOMSON: There is no evidence of that.

24 MR. BANNIGAN: Yes.

25 Q Is that the normal course of your business, or

1 numds Chestnut - recross 439

2 || Chestnut, Brooks -- and I am sorry I don't remember the  
3 || other names.

No, that is not normal.

MR. BANNIGAN: No further questions.

MR. THOMSON: I have nothing further.

7 THE COURT: If there are no further questions,  
8 the witness is excused.

9 (Witness excused)

10 THE COURT: We will take our luncheon recess and  
11 we will resume at 2:00 o'clock.

12 (Luncheon recess taken)

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## 2 AFTERNOON SESSION

3 2:00 p.m.

4 (In open court. Jury present.)

5 THE COURT: Please call the next witness.

6 MR. THOMSON: Defense calls Patrick O'Connor.

xx 7 P A T R I C K O' C O N N O R, called as a witness  
8 by the defendant, having been first duly sworn by the  
9 Clerk of the Court, testified as follows:

## xx 10 DIRECT EXAMINATION

11 BY MR. THOMSON:

12 Q Where do you reside, Mr. O'Connor?

13 A I reside in Minneapolis, Minnesota.

14 Q What do you do?

15 A I am a lawyer.

16 Q Where is your practice located?

17 A We have a law firm in Minneapolis and in Wash-  
18 ington, D.C.19 Q Directing your attention to the year 1970, did  
20 you occupy any political position with the Democratic Party?

21 A Yes, I did.

22 Q What was that position, sir?

23 A In 1969 and 1970, I was the Treasurer of the  
24 Democratic National Committee.

25 Q And that was a national committee?

2 A Yes.

3 O Are you familiar with the Minnesota Campaign  
4 Committee, the Minnesota Democratic Campaign Committee?

5 A Yes.

6 O Do you know the nature of that committee?

7 A Yes.

8 O Was that an inter or intra-state committee?

9 A That was an intra-state committee.

10 O Meaning just a state committee?

11 A That is right.

12 O Who was in charge of that committee?

13 A A man named Fred Gates.

14 He was the treasurer.

15 O I take it that you are familiar with campaign  
16 contributions?

17 A Yes.

18 O Both as a lawyer and in your function as National  
19 Treasurer?

20 A Yes.

21 O What is the role in the limitation of contribu-  
22 tions as far as intra-state --

23 MR. BANNIGAN: Objection. Federal or State.

24 O State.

25 A There is no limitation on the amount of the

1 rke 3

O'Connor - direct

442

2 contribution.

3 Q That would be to a State committee?

4 A That is correct.

5 Q Is there a limitation --

6 A I am referring now to the time that I was  
7 treasurer. The laws have changed, I believe, but at the time  
8 I was treasurer, there was no limitation.

9 Q And that was in 1970?

10 A Yes, 1969, 1970.

11 Q In 1969 and 1970, were you aware of certain  
12 dairy cooperatives which were active in the United States?

13 A Yes.

14 Q And that had political funds for contribution?

15 A Yes.

16 Q Are you familiar with the word AMPI?

17 A Yes, I am.

18 Q What does the word AMPI stand for?

19 A It is Associated Milk Producers Inc., I believe.

20 Q Were they known or reputed to have had political  
21 funds available for contribution purposes?

22 A Yes.

23 Q Had you ever heard of the word TAPE?

24 A Not until last Saturday and as a matter of fact  
25 when I was talking with you.

2 O So during 1969, 1970, as far as the reference  
3 to any political funds available through Associated Film  
4 Producers, Inc., would have been referred to as AMPI Funds.

5 A That is correct.

6 MR. THOMSON: No further questions.

xx 7 CROSS EXAMINATION

8 BY MR. BANNIGAN:

9 O How long have you been practicing law, sir?

10 A Since 1945.

11 Q Have you been in private practice ever since  
12 then?

13 A Yes.

14 Q Do you consider yourself a fairly literate  
15 person, sir?

16 A A what?

17 Q Fairly literate?

18 A Yes.

19 Q Fairly well read and so forth?

20 A I don't know how you want to define that. I  
21 would say yes.

22 Q You keep abreast of what is going on in the  
23 country, nationally, locally?

24 A I try to.

25 I read a local paper and I try to read a weekly

2 magazine.

3 O Something like Newsweek or Time or U. S. News  
4 and World Report?

5 A Yes.

6 THE COURT: You are dropping your voice, Mr.  
7 Bannigan and I am having trouble hearing you.

8 MR. BANNIGAN: I am sorry.

9 O I think the last magazine I referred to was  
10 U. S. News and World Report. Things like that?

11 A Yes.

12 O Are you familiar, sir, with the committee that  
13 sat in 1973 through four known, generally known as the  
14 Watergate Committee?

15 A Yes.

16 O As a man who was interested in national and local  
17 events, I take it you took some interest in that?

18 A Yes.

19 O Considering your background --

20 A I followed the reports in the newspaper.

21 O Do you mean to say, sir, in your testimony here  
22 having followed those reports, you have never heard of TAPE  
23 before?

24 A I have never heard of TAPE, sir, until the word  
25 was mentioned to me --

1 rke 6

O'Connor - cross

445

2 Q You don't have to point at me.

3 A I am sorry. I didn't mean anything by it.

4 Q I feel like there is a gun --

5 A I was just trying to emphasize. I never heard  
6 of TAPE until last Saturday.

7 Q Have you read any of the Watergate reports?

8 A No.

9 MR. BANNIGAN: I have no further questions.

10 MR. THOMSON: I have nothing further.

11 THE COURT: You are excused.

12 (Witness excused.)

13 THE COURT: Call your next witness.

14 MR. THOMSON: The defense calls as its next  
15 witness, Sunny Dogole.

xx 16 S. H A R R I S O N D O G O L E, called as a  
17 witness by the defendant, having been first duly sworn  
18 by the Clerk of the Court, testified as follows:

xx 19 DIRECT EXAMINATION

20 BY MR. THOMSON:

21 Q Where do you reside?

22 A Philadelphia, Pennsylvania.

23 Q What do you do?

24 A I am Chairman of the Board of Globe Security  
25 Systems, Inc.

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SOUTHERN DISTRICT COURT REPORTERS, U.S. COURTHOUSE  
FOLEY SQUARE, NEW YORK, N.Y. CO 7-4580

2 Q Were you active in the 1970 Senatorial Campaign  
3 in any way for Senator Humphrey of Minnesota?

4 A I was.

5 Q In what way?

6 A I was on the Finance Committee.

7 Q Who was the head of the Finance Committee?

8 A As I recall, the late Mr. Gates, Freddie Gates.

9 Q Who was the campaign manager at that time?

10 A Mr. Jack Chestnut.

11 Q But he was not the financial --

12 A He was not.

13 Q Are you familiar, Mr. Dogole with the Committee  
14 in Minnesota known as the Minnesota Democratic Campaign  
15 Committee?

16 A I do remember the name.

17 Q Is that either a State or Federal committee?

18 A I think it was a State committee.

19 Q As far as the 1970 Senatorial race of Senator  
20 Humphrey, was that a rather well financed campaign?

21 A Yes, it was. As a matter of fact we were for-  
22 tunate in raising most of the money early in the campaign.

23 Q So the campaign was never really short of funds?

24 A No, it was not.

25 MR. THOMSON: No further questions.

1 rke 8

Dogole - cross

447

xx 2 CROSS EXAMINATION

3 BY MR. BANNIGAN:

4 Q Do you have any records with you that show the  
5 financial state of the campaign early on?

6 A No, I wouldn't have those records with me.

7 Q Probably the campaign manager would have gotten  
8 those?

9 A Probably Mr. Gates would have had them.

10 Q Would the campaign manager have gotten copies  
11 of them?

12 A I couldn't say that.

13 MR. BANNIGAN: No further questions.

xx 14 REDIRECT EXAMINATION

15 BY MR. THOMSON:

16 Q You indicated that Mr. Gates has those records?

17 MR. BANNIGAN: He is deceased. I don't think he  
18 has them anymore.

19 MR. THOMSON: No further questions.

20 THE COURT: The witness is excused.

21 (Witness excused.)

22 THE COURT: Call your next witness.

23 MR. THOMSON: Joseph Summers.

24

25

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SOUTHERN DISTRICT COURT REPORTERS, U.S. COURTHOUSE  
FOLEY SQUARE, NEW YORK, N.Y. CO 7-45P0

1 rke 9

Summers - direct

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xx 2 J O S E P H P. S U M M E R S, called as a  
3 witness on behalf of the defendant, having been first  
4 duly sworn by the Clerk of the Court, testified as  
5 follows:

xx 6 DIRECT EXAMINATION

7 BY MR. THOMSON:

8 Q Where do you reside, Mr. Summers?

9 A St. Paul Minnesota.

10 Q What do you do?

11 A I am a Judge of the Ramsey County Municipal  
12 Court.

13 Q Are you acquainted with Jack Chestnut?

14 A Yes, I am.

15 Q At one time, did you practice law with him?

16 A Yes, I did.

17 Q When did you practice law with him?

18 A I practiced law with Mr. Chestnut in 1965 and  
19 1966.

20 Q At that time, did he have any special assign-  
21 ment from the Attorney-General's Department, State of  
22 Minnesota?

23 A Mr. Chestnut and I both had been on the staff of  
24 the Minnesota Attorney-General for a number of years. He  
25 went into private practice before I did.

2                   While he was on the staff, he was among other  
3     things, Special Assistant assigned to the Department of  
4     Agriculture to enforce the dairy unfair trade practices  
5     act. When he left to go into private practice, he was  
6     assigned that job as a part-time special assistant attorney-  
7     general and during the whole time I was practicing with  
8     him, he was enforcing the Dairy Unfair Trade Practices Act?

9                 Q     Even when Mr. Chestnut was in private practice,  
10    he was a special assistant attorney general?

11                A     Yes. There were a lot of part time assignments.

12                Q     What was his particular expertise as far as the  
13    Attorney-General's staff is concerned?

14                A     The Dairy Unfair Trade Practices Act is a com-  
15    prehensive milk marketing program which is set up by the  
16    Minnesota State Legislature enforced by the Department of  
17    Agriculture and generally speaking, it involves policing  
18    the dairy industry.

19                Q     Do you know whether or not he had that assign-  
20    ment in 1970?

21                A     I wouldn't know that except by hearsay.

22                MR. THOMSON: No further questions.

23                MR. BANNIGAN: No questions, your Honor.

24                THE COURT: You are excused.

25                (Witness excused.)

1 rke Rolvaag - direct 450

2 MR. THOMSON: The defense will call Karl  
3 Rolvaag.

xx 4 K A R L F. R O L V A A G, called as a witness  
5 by the defendant, having been first duly sworn by the  
6 Clerk of the Court, testified as follows:

xx 7 DIRECT EXAMINATION

8 BY MR. THOMSON:

9 Q Mr. Rolvaag, where do you reside?

10 A Bloomington, Minnesota.

11 Q What do you do?

12 A Chairman of the Minnesota Public Service Com-  
13 mission.

14 Q Have you been active in politics?

15 A Yes, sir.

16 Q Will you tell us what elective positions you have  
17 held?

18 A I was Lieutenant Governor of Minnesota for four  
19 two year terms and Governor for one four year term and  
20 serving my first term now as a public service commissioner.

21 Q After your term as Governor of the State of  
22 Minnesota, what Governmental job did you have?

23 A I was appointed United States Ambassador to the  
24 Republic of Iceland.

25 Q How long were you United States Ambassador to the

2 Republic of Iceland?

3 A Approximately two and a half years.

4 Q During your period in politics, did you get  
5 to know a man by the name of Jack Chestnut?

6 A Yes, I did.

7 Q How long have you known Mr. Chestnut?

8 A I have known Mr. Chestnut since about 1960 or  
9 early 1961.

10 Q Have you known him in his capacity as a lawyer?

11 A I have known him in his capacity as a lawyer,  
12 as an Assistant Attorney-General, as a staff man to the  
13 Attorney-General's of Minnesota and I have known him person-  
14 ally as a member of my church congregation.

15 Q Does he have a position in your church?

16 A Yes, sir. He was a trustee or sometimes called  
17 a deacon in the Advent Lutheran Church in St. Paul, Minne-  
18 sota.

19 Q Have you heard Mr. Chestnut discussed among  
20 other people?

21 A Yes, I have.

22 Q That has been over the years?

23 A Yes, it has.

24 Q Based upon your personal knowledge of Mr. Chest-  
25 nut and also based upon those things that you heard dis-

1 rke Rolvaag - direct 452  
2 cussed about him, have you been able to form an opinion as  
3 to Mr. Chestnut's reputation for truth and veracity?  
4 A I have.  
5 Q What is that reputation?  
6 A I have formed an opinion which is commonly  
7 expressed that Mr. Chestnut is a man of highest moral stand-  
8 ards, that has high standards of honesty and integrity in  
9 public service.  
10 Q I take it that his reputation for honesty and  
11 integrity, in your opinion, would be the same?  
12 A Yes.  
13 MR. THOMSON: No further questions.  
xx 14 CROSS EXAMINATION  
15 BY MR. BANNIGAN:  
16 Q You haven't heard any of the testimony in this  
17 case, sir, that Mr. Chestnut received or caused another to  
18 receive an illegal corporate contribution in connection with  
19 Senator Humphrey's campaign, have you?  
20 MR. THOMSON: Objection. It is a conclusion.  
21 THE COURT: I will allow the question. Have  
22 you heard any of the testimony in this case?  
23 Q Have you heard any of the testimony in this  
24 case?  
25 A I have not heard any of the testimony.

2 Q Have you seen any of the exhibits in the case?

3 A I have not.

4 Q You don't really know what this case is all  
5 about, except for hearsay?

6 A Except for hearsay and what I read in the news-  
7 papers.

8 Q Since you haven't heard anything in this court,  
9 sir, in your conversations with the various people with whom  
10 you spoke about Mr. Chestnut's reputation for truth, ver-  
11 acity and honesty, did you hear, sir, that in May of 1970,  
12 he accepted a \$10,000 illegal corporate contribution --

13 MR. THOMSON: Objection. That is an issue in  
14 this lawsuit.

15 THE COURT: No. That only goes to the issue of  
16 the witness' credibility.

17 Members of the jury, this, as the lawyers call,  
18 character testimony, or really reputation testimony, is  
19 based on a man's reputation in the community on hearsay  
20 matters and I am permitting a question now with respect to  
21 whether or not the witness did or did not hear certain  
22 mention with respect to this defendant and that is the only  
23 limited purpose for which it is being received.

24 It goes to the witness' credibility.

25 THE WITNESS: Would you restate your question,

1 rke

Rolyaaq - cross

454

2 please.

3 Q In your conversations with the various people  
4 with whom you have spoken concerning Mr. Chestnut's repu-  
5 tation for truth and veracity and honesty, did you hear or  
6 have you heard that in May of 1970, Mr. Chestnut accepted  
7 a \$10,000 illegal corporate contribution from Associated  
8 Milk Producers, Inc. in connection with Senator Humphrey's  
9 1970 campaign?

10 A The answer would be no.

11 Q In your conversations with the same people, sir,  
12 did you hear that in June Mr. Chestnut accepted \$12,000 in  
13 illegal corporate contributions in connection with that same  
14 campaign?

15 A Again, the answer is no.

16 Q In that same period of time, sir, did you hear  
17 that Mr. Chestnut accepted \$1,450 in illegal corporate  
18 contributions to the 1970 Senatorial Campaign of Senator  
19 Humphrey?

20 A No, I did not.

21 Q In those same conversations, sir, did you hear  
22 that in October of 1970, in connection with that same elec-  
23 tion, Mr. Chestnut accepted \$12,500 in illegal funds from  
24 Associated Milk Producers, Inc.?

25 A No, I did not.

1 rke

Rolvaag - cross

2 Q In those same conversations, sir, did you hear  
3 that Mr. Chestnut had an extremely peculiar billing arrangement  
4 with Associated Milk Producers, Inc. during the period  
5 of 1970?

6 MR. THOMSON: Object to that. There is absolutely  
7 no evidence of that and I move it be stricken and the jury  
8 admonished.

9 THE COURT: Sustained as to form and the jury  
10 is to draw no inference.

11 MR. BANNIGAN: I will withdraw it.

12 Q Are you familiar with Senator Humphrey's 1971  
13 through 1972 bid for the presidency?

14 A In a remote way, yes.

15 Q You know he ran?

16 A Yes.

17 Q In your conversations, sir, with various people  
18 concerning Mr. Chestnut's reputation for truth, veracity  
19 and honesty, have you heard, sir, that he caused Associated  
20 Milk Producers, Inc. to pay a \$25,000 bill submitted in  
21 connection with that campaign by a company called Valentine

22 MR. THOMSON: I move for a mistrial, there is  
23 absolutely no evidence of that in this case at all.

24 THE COURT: The objection is overruled. The  
25 motion is denied. The jury is to draw no inferences from

1 rke

Relevant - cross

456

2 the statement.

3 MR. BANNIGAN: I have no further question.

4 THE COURT: Any redirect?

5 MR. THOMSON: No redirect.

6 THE COURT: The witness is excused.

7 (Witness excused.)

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MR. THOMSON: The defense calls as its next witness Thomas Tipton.

3

5 T H O M S O N      H.      T I P T O N , a witness called on  
6 behalf of the defendant, being first duly sworn,  
7 testified as follows:

8

DIRECT EXAMINATION

9

BY MR. THOMSON:

10

Q      Mr. Tipton, where do you reside, sir?

11

A      Minneapolis.

12

Q      What do you do?

13

A      I am in the marketing business, specialized market-  
14 ing to black consumer agencies across the country.

15

Q      Who are your clients?

16

A      Some of my clients are Pillsbury, Hungry Jack,  
17 Land O'Lakes Butter, Northwestern Bell, and Armour Foods,  
18 which is owned by the Greyhound Corporation in Phoenix,  
19 Arizona.

20

Q      What is your relationship with the company?

21

A      President; owner.

22

Q      Are you acquainted with Jack Chestnut?

23

A      Yes, I am.

24

Q      What is the nature of that acquaintance, sir?

25

A      I met Jack Chestnut in late '68-'69 in campaigns,

2 in 1970, and the senatorial campaign for Senator Hubert  
3 Humphrey in 1972; I was one of four deputy directors nationwide  
4 for the presidential drive for Hubert Humphrey.

5 Q I take it during this period of time you became  
6 acquainted with Mr. Chestnut and knew him personally?

7 A I know Jack personally, his family very well.

8 Q During this period of time have you heard Mr.  
9 Chestnut discussed in the community among people?

10 A Yes, I have. When I first came to Minneapolis the  
11 publisher of the Minneapolis Spokesman Newspaper, Mr. Newman,  
12 we exchanged thoughts about Jack Chestnut, and with Carl  
13 Rowan, Jr., the son of the columnist, we got together occa-  
14 sionally and he was interested in the campaign also and  
15 he talked to me about Jack Chestnut; and Harry Davis, who  
16 ran for Mayor of Minneapolis just recently in the last five  
17 years also brought --

18 MR. BANNIGAN: Do we have to have a biography of  
19 everybody he has spoke to or just their names.

20 Q Did you discuss Mr. Chestnut's reputation?

21 A Yes, we discussed Mr. Chestnut's reputation.

22 Q Based upon your personal knowledge of Mr. Chestnut  
23 and based upon the discussions that you heard about him, have  
24 you formed an opinion as to Mr. Chestnut's reputation for  
25 honesty and integrity?

2 A Yes, I have.

3 Q What is your opinion, sir?

4 A My opinion is that, first of all, coming out of  
5 Washington, D. C., and in recent years, I have had quite  
6 honestly very little feeling as far as trust for --

7 MR. BANNIGAN: Objection, can't he just express  
8 it one or two words?

9 THE WITNESS: If I am allowed to --

10 THE COURT: The question is, what is his reputation?

11 THE WITNESS: His reputation as far as I am concerned  
12 is one of the highest integrity. If it were not so, I could  
13 not have been associated with him, because of my reputation,  
14 and I found Jack to be one of the most honest people I have  
15 ever known in my life, and there are very few, quite honestly  
16 white people that I respect that much.

17 MR. BANNIGAN: Your Honor, I object and move to  
18 strike. It is totally uncalled for.

19 THE COURT: Yes, the latter part of the answer is  
20 stricken.

21 Q Have you been able to form an opinion, Mr. Tipton,  
22 based upon your personal knowledge and what you have heard of  
23 Mr. Chestnut discussed as to his reputation for honesty and  
24 integrity?

25 A Would you repeat the question again, please?

5 Q Based upon your personal knowledge of Mr. Chestnut,  
6 personal relations, and in addition to that what you have  
7 heard about him from other people, have you been able to form  
8 an opinion as to Mr.Chestnut's reputation for honesty and  
9 integrity?  
10

11 A His reputation, as far as I know, and from people  
12 that I have worked with and that have worked throughout the  
13 State of Minnesota and throughout the country, has been one  
14 in my estimation of impeccable integrity.  
15

16 MR. THOMSON: Thank you.

17 THE COURT: Any questions?

18 MR. BANNIGAN: No, I have no questions.  
19

20 P A T R I C K J. F O L E Y, witness called on behalf  
21 of the defendant, being first duly sworn, testified  
22 as follows:  
23

24 DIRECT EXAMINATION  
25

BY MR. THOMSON:

Q Where do you live?

A St. Louis Park, a suburb of Minneapolis.

Q What do you do?

A I practice law.

Q Whom do you practice with?

A I practice with Eugene Rerat, Louis Crill

and Roger Brousier under the name of Perat, Crill, Foley and Brousier.

Q Mr. Foley, at any time did you ever hold any government position?

A Yes.

Q What was the last government position you held?

A I was United States attorney, for the District of Minnesota.

Q How long were you United States attorney for the District of Minnesota?

A From July, 1966, to June of 1969.

Q Now, during the time that you lived in Minnesota have you got to know Mr. Chestnut?

A I have.

Q How long have you known Mr. Chestnut?

A Well, it would go back to about the early '60's when I was an assistant United States Attorney.

Q What was he doing then?

A Well, he was, as I recall, when I first met him, an assistant to the Attorney General of the State, and then he went into private law practice, and I saw him from time to time thereafter.

Q Have you heard during the course of time, Mr. Foley, Mr. Chestnut discussed in the community?

2 A I have.

3 Q Based upon your personal knowledge with Mr. Chestnut,  
4 and, in addition, based upon those things that you heard,  
5 through the discussions that you heard, have you been able  
6 to form an opinion as to Mr. Chestnut's reputation for truth  
7 and veracity.

8 A I have.

9 Q What is that opinion, sir?

10 A He has a reputation that is excellent and un-  
11 impeachable for truth and veracity, for being an upright and  
12 honest person.

13 Q Based upon your knowledge of Mr. Chestnut and also  
14 based upon the discussions you heard from people in the  
15 community, have you been able to form an opinion as to Mr.  
16 Chestnut's reputation for honesty and integrity?

17 A I have.

18 Q What is that reputation?

19 A He is uniformly admired and respected for honesty  
20 and integrity.

21 MR. THOMSON: Thank you. I have no further  
22 questions.

23 MR. BANNIGAN: I have no questions, your Honor.

24 THE WITNESS: May I be excused, your Honor.

25 THE COURT: You are excused.

2 (Witness excused.)

3 MR. THOMSON: The defense calls as its next witness,

4 Earl Cudd.

5

6 E A R L      C U D D, a witness called on behalf of the  
7 defendant being first duly sworn, testified as follows:

## 8 DIRECT EXAMINATION

9 BY MR. THOMSON:

10 Q Where do you reside, sir?

11 A I live in Minneapolis, Minnesota.

12 Q What do you do?

13 A I am now full time United States Magistrate for  
14 the District of Minnesota with my offices in Minneapolis.

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Tk2 1 mmms 1 Cudd - direct 464  
B2

p.m. 2 Q Prior to becoming a United States Magistrate,  
3 what did you do before that?

4 A I was first Assistant United States Attorney  
5 from March, 1967, until October, 1973.

6 Q Prior to that did you work in the Attorney  
7 General's staff?

8 A Yes, I did.

9 Q What position did you occupy there?

10 A I was originally hired as a Special Assistant  
11 Attorney General and was later named Solicitor General.

12 Q For the State of Minnesota?

13 A That is correct.

14 Q During this period of time did you get to know  
15 Jack L. Chestnut?

16 A I first met Jack Chestnut in July, 1963.

17 Q And you have known him continuously since then?

18 A Ever since that date.

19 Q During that period of time have you heard him  
20 discussed in the community?

21 A I have.

22 Q Based upon your personal knowledge of Mr. Chestnut  
23 and in addition based upon the discussions that you heard  
24 in the community, have you been able to form an opinion as  
25 to Mr. Chestnut's reputation for truth and veracity?

1        mmds 2

Cudd - direct/cross

465

2            A      I have.

3            Q      What is that opinion?

4            A      I think he has the highest reputation for truth.  
5        and veracity.

6            Q      Based again upon your personal knowledge and  
7        the discussions you heard about Mr. Chestnut over these  
8        years, have you been able to form an opinion as to his  
9        reputation for honesty and integrity?

10          A      I have.

11          Q      What is that opinion?

12          A      Outstanding.

13            MR. THOMSON: Thank you. I have no further  
14        questions.

15        CROSS-EXAMINATION

16        BY MR. BANNIGAN:

17          Q      Mr. Cudd, have you heard the testimony that has  
18        been given under oath in this courtroom over the last two  
19        and a half days?

20          A      No, I have not.

21          Q      Have you seen any of the exhibits that were  
22        received in evidence in this case?

23          A      No, I have not.

24            MR. BANNIGAN: No further questions.

25

1 mmrds

Riley - direct

466

2 N E I L R I L E Y , called as a witness by  
3 the defendant, being first duly sworn, testified  
4 as follows:

5 DIRECT EXAMINATION

6 BY MR. THOMSON:

7 Q Mr. Riley, where do you reside, sir?

8 A I am a resident of a suburb of Minneapolis,  
9 Wayzata.

10 Q What do you do, sir?

11 A I am Chief Judge of the Hennepin County Court.

12 Q Are you acquainted with Jack L. Chestnut?

13 A I am.

14 Q How long have you known Mr. Chestnut?

15 A Since approximately 1964 when I became a Judge.

16 Q Have you during this period of time heard

17 Mr. Chestnut discussed among members of the community?

18 A I have.

19 Q And that has been on several occasions? Many  
20 occasions?

21 A A number of occasions.

22 Q Now, based upon your personal knowledge of  
23 Mr. Chestnut as well as the discussions you heard among  
24 other people, have you been able to form an opinion as to  
25 Mr. Chestnut's reputation in the community for truth and

2 veracity?

3 A I have.

4 Q What is that opinion, sir?

5 A His reputation is of the highest. There is no  
6 more respected member of the Bar of the State of Minnesota  
7 than Mr. Chestnut.8 Q Based upon the same thing, as far as your  
9 personal knowledge, discussions about Mr. Chestnut, have  
10 you been able to form an opinion as to his reputation for  
11 honesty and integrity?

12 A I have.

13 Q What is that opinion, sir?

14 A His reputation is of the highest.

15 MR. THOMSON: Thank you. I have no further  
16 questions.

## 17 CROSS-EXAMINATION

18 BY MR. BANNIGAN:

19 Q Judge -- may I refer to the Judge in the witness  
20 chair as that -- have you heard the evidence that has been  
21 testified to in this court under oath?

22 A I have not.

23 Q Have you seen any of the documents that have  
24 been received in this case?

25 A I have not.

2 Q So you don't know anything about this case, do  
3 you?

4 A Only what I read in the newspapers.

5 Q Personal knowledge?

6 A I have no personal knowledge.

7 MR. BANNIGAN: I have no further questions.

8 THE COURT: You are excused.

9 (Witness excused)

10 D O N A L D C. O D D E N, called as a witness  
11 by the defendant, being first duly sworn, testified  
12 as follows:

13 DIRECT EXAMINATION

14 BY MR. THOMSON:

15 Q Where do you reside, sir?

16 A Duluth, Minnesota.

17 Q What is your occupation?

18 A I am a District Judge.

19 Q Are you acquainted with Jack L. Chestnut?

20 A Very well.

21 Q How long have you known him, sir?

22 A Fifteen years.

23 Q Have you heard Mr. Chestnut discussed by members  
24 of the community?

25 A I have.

2 Q Based upon your personal knowledge of Mr. Chestnut,  
3 as well as the discussions you heard about him in the  
4 community, have you been able to form an opinion as to his  
5 reputation for truth and veracity?

6 A I have.

7 Q What is that opinion, sir?

8 A Well, it is impeccable.

9 Q And by the same token have you been able through  
10 your personal knowledge and discussions that you heard in  
11 the community regarding Mr. Chestnut been able to form an  
12 opinion as to his reputation for honesty and integrity?

13 A I have.

14 Q What is that opinion, sir?

15 A He has an excellent reputation in the community  
16 for honesty and veracity.

17 MR. THOMSON: Thank you.

18 MR. BANNIGAN: No questions.

19 (Witness excused)

20 MR. THOMSON: The last witness is a perceptive  
21 witness, not a character witness, Captain Rico.

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1 mmnds

Rico - direct

470

2 A N T H O N Y F. R I C O , called as a witness  
3 by the defendant, being first duly sworn, testified  
4 as follows:

5 DIRECT EXAMINATION

6 BY MR. THOMSON:

7 Q Where do you reside, sir?

8 A I reside at Solon Springs, Wisconsin.

9 Q What do you do?

10 A I am president of the Upper Great Lakes Pilots  
11 Incorporated.

12 Q What is it?

13 A It is an association, an incorporation of Pilots,  
14 United States Registered Pilots, Department of Commerce,  
15 United States Coast Guard.

16 Q Are you acquainted with Jack Chestnut?

17 A Yes, I am.

18 Q How long have you been acquainted with him?

19 A From 1963, when he became legal counsel for our  
20 company.

21 Q Do you know a Mr. Slaughter?

22 A Yes, I do.

23 Q Do you recall an incident regarding Senator  
24 Mondale's campaign regarding Mr. Slaughter and Mr. Chestnut?

25 A Yes, I do.

1 mm/s

### Rico - direct

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Q This involved a campaign check?

3 A Yes, it did.

4 Q What do you remember about that?

5           A     It was a voluntary contribution by a corporation  
6     for the funds for the campaign.

7 Q How much was it? Do you remember?

8 A It was \$500

10           A     If I may explain just a minute as I try to  
11 remember this, the check had come from this corporation  
12 to Mr. Slaughter to assist Senator Mondale's campaign, and  
13 subsequently Mr. Slaughter had told me that he had received  
14 the check.

15 MR. BANNIGAN: Objection as to what Mr. Slaughter  
16 said to anyone.

17 THE COURT: Sustained

Q      What later occurred in your presence?

19 A The money was returned

20 O By whom?

21 A By Mr. Chestnut

22 Q Who was it returned to?

23 A Mr. Slaughter

24                   Q     Was that natural?

25 | Page

Tk2 1 mmgs

Rico - cross

B3

472

p.m. 2 CROSS-EXAMINATION

3 BY MR. BANNIGAN:

4 Q When did this occur, sir? What year?

5 A I am trying to refresh my memory. Did Mondale  
6 run for election in '72?

7 Q I don't know, sir. You are testifying. Tell us  
8 when it happened.

9 A Well, the senatorial election was, I believe,  
10 in '72.

11 Q What month did it happen? Do you recall?

12 A Just give me a minute. About in July, June, July,  
13 somewhere around there, to the best of my recollection.

14 Q What was the name of the corporation who made  
15 this check?

16 A Series.

17 Q Do you have that check, sir?

18 A I do not have it in my possession.

19 Q But it was given to you at one time?

20 A It was not given to me.

21 Q It was given to someone else?

22 A It was given to Mr. Slaughter.

23 MR. BANNIGAN: I have no further questions.

24 MR. THOMSON: I have no further questions.

25 (Witness excused)

2 MR. THOMSON: The defense rests.

3 THE COURT: Is there any rebuttal?

4 MR. BANNIGAN: No.

5 THE COURT: Both sides rest?

6 MR. BANNIGAN: The Government rests.

7 MR. THOMSON: The defense rests.

8 THE COURT: Just give me an idea of time, gentlemen.

9 (Pause)

10 THE COURT: We will go forward with the summations  
11 this afternoon. It may be necessary to stay just a little  
12 later than our usual hour, perhaps after 5:00. But the  
13 lawyers will take the time they have asked for. Before we  
14 start we will have a short recess and then pick up immediately  
15 thereafter. Suppose you go into the jury room, relax, and  
16 we will be ready in about ten minutes to get started.

17 (Recess taken)

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2 (In the robing room.)

3 THE COURT: I just want to put on the record the  
4 fact that the defense requested the Government to elect  
5 whether it was going to proceed under section 1 of the aiding  
6 and abetting cause and section 2, the Causing case.

7 The Government notified the Court, and I take  
8 it also notified the defense, that it will proceed only on  
9 the causing of section 2, Title 18. Also, the record should  
10 indicate that defense has advised the Court that its  
11 request for an instruction on a lesser included offense is  
12 withdrawn.

13 MR. BANNIGAN: I failed to notify the defense  
14 of the election. I apologize for it.

15 MR. NORDBY: The motion to elect as I meant to  
16 frame it also contemplated whether the allegation of accept-  
17 ing and receiving by Mr. Chestnut himself as opposed to caus-  
18 ing Lennen & Newell --

19 THE COURT: I made it perfectly clear. I don't  
20 know why you continue this. The statement by the prosecu-  
21 tion is he is going ahead on causing Lennen & Newell to  
22 accept and receive a contribution.

23 MR. NORDBY: I thought you indicated whether  
24 it was Section A or B or of 18 USC 2.

25 THE COURT: This is as clear as can be. The

1 rke 2

2                   The Government has just indicated it is proceed-  
3                   ing under Section 2 of Title 2 of 18 USC. What more do you  
4                   want?

5                   MR. NORDBY: I understood you to say that was  
6                   the extent of the accepting and receiving by Mr. Chestnut  
7                   himself rather than instead of aiding and abetting.

8                   THE COURT: I can't make it any clearer. I  
9                   don't know what you are asking for now.

10                  Will you state for the record now in your own  
11                  language, Mr. Bannigan.

12                  MR. BANNIGAN: The charge is that he caused  
13                  Lennen & Newell to accept an illegal contribution on behalf  
14                  of the campaign.

15                  THE COURT: This was precisely what you asked  
16                  the Government to elect last night. I don't know why  
17                  there is any problem about it.

18                  Is it clear now?

19                  MR. NORDBY: Yes.

20                  MR. THOMSON: I would like to renew the motion  
21                  for a judgment of acquittal that was made at the close of  
22                  the Government's case and will assert the same arguments  
23                  as asserted at that time.

24                  THE COURT: Motion is denied.

25                  (In open court - jury present.)

STATE OF MINNESOTA

COUNTY OF RAMSEY

JACK S. NORDBY, OF THE CITY OF ST. PAUL, COUNTY OF RAMSEY  
IN THE STATE OF MINNESOTA, BEING DULY SWORN, SAYS THAT ON THE 26th  
DAY OF AUGUST, 1975, HE SERVED TWO COPIES OF APPELLANT'S BRIEF AND  
ONE COPY OF THE APPENDIX IN THE CASE OF UNITED STATES V. CHESTNUT,  
DOCKET NO. 75-1268 UPON PAUL J. CURRAN, UNITED STATES ATTORNEY FOR THE  
SOUTHERN DISTRICT OF NEW YORK, BY MAILING TO HIM SAID COPIES, POSTAGE  
PREPAID AT MINNEAPOLIS, MINNESOTA, AND BY DEPOSITING SAME IN THE POST  
OFFICE AT MINNEAPOLIS, MINNESOTA, DIRECTED TO SAID ATTORNEY AT  
1 ST. ANDREW'S PLAZA, NEW YORK, NEW YORK, 10007.

  
JACK S. NORDBY

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 26th DAY OF AUGUST, 1975.

